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SOCIAL JUSTICE

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U.S. Embargo on Arms Gesture to Keep Peace

Policy Makers for the New Deal Fall Into Error of Technocrats

Editorial Confidences

NO better evidence of the need for study as a preparation for later action could be offered than the results of the recent **KNOW SOCIAL JUSTICE** Contest conducted by this paper. The letters of thousands of readers voice their appreciation of the opportunity to review and brush up on the subject afforded through the contest. Indeed, that was the primary object of running such a contest in the columns of **SOCIAL JUSTICE.**

Out of the many thousands who participated and who wrote letters to the editor about it afterwards, fewer than 15 challenged the "fairness" of the judges or the "honesty" of the contest.

Disappointment was, of course, natural to any long time student of social justice who found his rating so low in the contest computation, but either inattention to the rules or inapplication to the tricky wording of the questions will be found to explain most failures.

It was, first of all, a contest. The BEST AND MOST APPROPRIATE answer of the suggestions listed to 50 questions was required. In any number of cases A STILL BETTER AND MORE APPROPRIATE answer could have been supplied by the veteran student of social justice. That fact alone testifies to the progress in the subject made by **SOCIAL JUSTICE** readers. Had the obviously correct answer to every question been clearly listed among the suggested answers THERE WOULD HAVE BEEN NO CONTEST.

No better example is offered than in the now famous — or notorious — question No. 1. **"Who Alone Should Issue Money in the United States?"** The correct answer, obvious to

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Fix Program On a Static Social Order

Fallacy Affects Whole Attitude of the Brain Trust Toward Problem of Employment

By Robert H. Hemphill

ABOUT the peak of business activity in 1928, a campaign of ingenious propaganda swept the country like a prairie fire—the false philosophy of "Technocracy." It held brief public sway, but made a lasting impression on a number of otherwise bright minds, who were caught by its insidious recitals, and made lasting converts of millions who are unaccustomed to thinking things through according to trained reasoning processes.

Static Social Order Technocrats' Error

It is important to remember this strange doctrine, and to recall the tremendous publicity which it received, as the inside history of the "New Deal" will be written some day and this false philosophy will be found to have had much to do with it, although it is quite likely that Franklin D. Roosevelt, at that time, knew very little if anything about the various "New Deal" measures which he has so tenaciously promoted since his election to the presidency. His original "Brain Trust," however, was completely sold on this Technocratic philosophy, or at least professed to believe in it.

You may likely remember that the main idea was, that by improved manufacturing processes and the development of automatic machinery, increasingly less human labor

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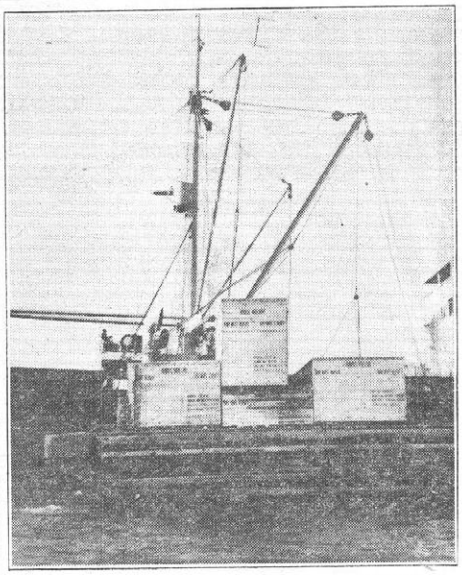
War 'Incident' Averted



—Acme Photo.

Danger of American complications in the Far East warfare was considerably lessened when the government-owned freighter Wichita, carrying war materials to China, was unloaded at Los Angeles, Calif., on Sept. 16. President Roosevelt's order, forbidding the shipment of war materials to belligerents aboard government ships, was issued after the Wichita had sailed from Baltimore, Md., for the China war zone with planes, barbed wire, and machine guns. Observers foresaw in the possible sinking of an American government ship by Japan the making of a war "incident" to involve this country in something more than a mere exchange of formal notes.

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Affects Only Government Owned Ships

Munitions Dealers May Still Operate at Own Risk; Shows Need for Neutrality Law

By Staff Correspondent of SOCIAL JUSTICE

WASHINGTON, D. C. — The need for an effective and consistent neutrality policy for America was never better illustrated that in the recent weeks when a president of the United States was forced to follow an impassioned promise to "keep us out of war" with the application of a weak partial embargo on arms shipments to China and Japan.

The embargo order, a patent concession to American munitioneers and Wall Street bankers, has served only to increase tension in the Far East with respect to the imperiled neutrality of the United States. Feeling is reported to be running high in China over what is construed as unfair intervention by Washington, while Japanese spokesmen say their government is "highly satisfied" with the Roosevelt action.

Chinese official sources contend that, in view of a vastly superior naval fleet, Japan is better equipped to take advantage of the "cash and carry" policy on arms shipments outlined in the embargo edict.

War Cargoes At Own Risk

At the same time, an act of war was frankly feared if Japan had been able to intercept the American freighter Wichita, en route to China with a cargo of 19 airplanes. Unloading of her cargo averted an "incident."

The president's arms ban, which wasn't announced until after the Wichita had embarked, forbids 37 ships owned by the government but operated privately, to carry munitions to the Far East. Other American merchant vessels were warned that they must

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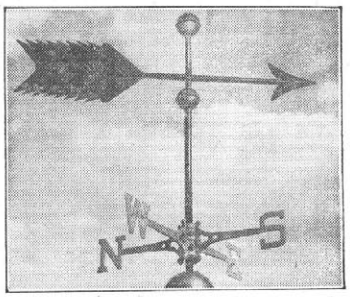

THE INDICATOR

ALEXANDER HAMILTON, in one of the brilliant essays of "The Federalist," issued a solemn warning to his fellow countrymen that they should hold most in suspicion those who paid obsequious court to the people, gaining political power thereby.

These men too often, Hamilton warned, begin demagogues and end tyrants.

* * *

In the long course of history there is no record of greater perfidy than that of men of political genius who have led people, under the banners of liberalism, humanitarianism and democracy, to deeper subjection.

Napoleon was unquestionably a great political and military genius. Perhaps his greatest personal asset was his power over the imagination and the loyalty of the common people.

The rank and file of the Grand Armee idolized him, and hundreds of thousands of men went proudly to their deaths under his commanding eye.

* * *

Napoleon rose to power on the crest of the French Revolution. Yet he led his people into a stricter tyranny than that of the Bourbons whose yoke the people had thrown off in their great uprising.

* * *

Napoleon, as a matter of fact, led the French people toward freedom only so long as was necessary to gain their complete confidence, only long enough to get a tight grip on the reins of government.

Then he revealed the true direction in which his personal ambition had been driving him.

* * *

Napoleon's aim, from the days when he was the undistinguished Little Corporal, was to be Emperor. That aim never changed all through the struggle in which he became the idol of a people yearning for freedom.

At the height of his power and prestige, Napoleon had himself declared Emperor. His reign, notable particularly for his military exploits and his almost insane ambition to dominate the whole of Europe, lasted a few short years and left the French people where they had been before the Revolution.

* * *

IT TOOK France a half century to recover from Napoleon. His period of influence was worse than wasted because he thought more of himself than of the people who trusted him with leadership.

Yet he rose to power under the banner of liberty.

* * *

Today the world is passing through a period of crisis more serious and deeper than the crisis which made Napoleon.

As in all periods of stress and uncertainty and disillusionment, the people, bewildered, discouraged and frustrated, have turned to strong leaders, even as the French proletariat turned to Napoleon.

* * *

Have the peoples of the world yet learned the lesson that those who start out as demagogues too often end as tyrants? The evidence is that they have not.

In Russia, under the fiction of the rule of the proletariat, the people are submitting to a regime which has not been paralleled for tyranny and blood-lust since the days of Ivan the Terrible.

In Germany the people, crushed by the madness of the Hohenzollerns, have entrusted themselves to a leader more absolute than the Kaiser.

Italy, in the name of the common man, knows the grip of the sternest master since the Caesars.

* * *

Even in the United States, where liberty, in fact, has reigned for a century and a half and where the people have enjoyed more freedom and a higher standard of living than any people recorded in history, the citizenry has shown a tendency to fall for the idea of a superman who has come to make them really free —a twentieth century Napoleon.

* * *

In America, a people who have long supported a Constitution which places rigid limitations on the rulers as well as the ruled, complacently watch while a hero, who outrivals Napoleon in his vaulting ambition, hews away at the pillars of that Constitution — so that he himself may be more powerful.

* * *

Even trained men, who have won positions of intellectual and political leadership, are following the banner of the New Caesar as he undermines more and more of the bulwarks of the people's rights.

* * *

ACTUALLY there are among the camp-followers of this New Deal, which has come upon us, expounders of the social doctrine of the Popes—men whose very prominence is predicated upon their reputed knowledge of the great encyclicals which base the hope for reorganizing the social order, not upon the pre-eminence of any one man, but upon the universal re-establishment of morality, justice and Christian charity.

* * *

These sages quote the Pope to the effect that the salvation of the world lies in the intervention of the state in every function of society. They point to the words of Pius XI in support of their adherence to the neoNapoleonism of the prevailing regime:

> "When we speak of the reform of the social order it is principally the state we have in mind. Not indeed that all salvation is to be hoped for from its intervention, but because on account of the evil of individualism, as we call it, things have come to such a pass that the highly developed social life which once flourished in a variety of prosperous institutions organically linked with each other, has been damaged and all but ruined, leaving thus virtually only individuals and the state."

* * *

These religious leaders, basing their position on this and other quotations from the encyclicals which designate the responsibility of the state in the struggle for social justice, swing so far toward state supremacy, paternalism and bureaucracy that they can justify the alliance of government with dangerously political labor leadership.

* * *

THEY can justify the demeaning of independent courts which are the last safeguard of liberty.

They can justify the spending of the people's money for the building of gigantic political machines.

They can justify the borrowing of collosal sums from bankers who do not possess, in real money, more than a fraction of the loans they make.

They can justify the accelerated concentration of wealth that obtains when the people are forced to pay with real, work-produced money the endless interest on such fictitious loans.

* * *

These religious leaders, who lend the dignity of their positions to the support of a regime based on power-grasping and Communistic regimentation, evidently failed to read the Pope's warning against the evils that arise from too much interference by the state in the affairs of its citizens.

* * *

Discussing a new order of government which has arisen to solve the social problems of certain nations, Pope Pius said:

> "It is feared that the new syndical and corporative institution possesses an exclusively bureaucratic and political character, and that, notwithstanding the general advantages referred to above, it risks serving particular political aims rather than contributing to the initiation of a better social order."

* * *

BY THIS recognition of the fears entertained by some men of the dangers inherent in a dominant state, the Pope warns against them — particularly against bureaucracy and political usurpation.

* * *

There is only one way to avoid these disastrous consequences of too much government; the Pope says:

> "We believe that to attain this last named lofty purpose (the initiation of a better social order) for the true and permanent advantage of the commonwealth, there is need before and above all else of the blessing of God, and, in the second place, of the co-operation of all men of good will."

* * *

Not paternalism and the domination of one man—such as Napoleon—but the blessing of God and the co-operation of all men of good will — that is the ideal of Pope Pius XI.

Message to Social Justice Councils

Principle 3

Nationalization of Important Public Resources

BEFORE explaining the policies hinging upon the third principle of Social Justice, namely, "nationalization of important public resources" it may be well to present the divergent views of the two major contending factions of our society in regard to the ownership of property.

The most powerful group in the nation, the American Bourbons of banking and of industry, are solidly opposed to any fundamental change in the system of Modern Capitalism. **Modern Capitalism is identified with the dictatorship of economic domination.** It was chiefly due to this phase of modern capitalism that fierce economic battles of the nineteenth and early twentieth centuries arose to acquire control of the nation so that its resources of power, of light, of water and of money could be abused in the struggle for existence.

According to Modern Capitalism, all things, including the sovereign right of coining money, must be privately owned.

On the other hand the Communist, whom the practices of capitalism has generated, goes to the other extreme in maintaining that all things must be publicly owned. To him private ownership is as immoral as is public ownership to the modern capitalist. The Communist advocates the total abolition of all private property together with the nationalization, not only of natural resources but also of trade, of commerce and of industry under a form of government which is technically known as an oligarchy, or the rule of a handful of powerful commissars.

As a matter of fact the Modern Capitalist is seriously in error when he upholds the doctrine that all things must be owned privately. Equally in error is the Communist who maintains that all things must be owned nationally. The truth — evidenced by nature, by reason and by the pages of history—clearly indicates that some things, because of their common importance, should be owned in common but that the majority of things such as your home, your farm, your factory and other things too numerous to mention should be owned in private.

Thus, besides the doctrines of these two groups—Modern Capitalism and Communism—we believe there can be established a new school of thought where the vast majority of the American people are willing to learn **and then rebuild their nation on the age-old principles of positive morality.** It is because of this belief that we sponsor the sixteen point program of social justice. We further believe that neither Modern Capitalism, as we know it, nor Communism, as it operates in Russia, is desired by the ordinary American man or woman. One is just as obnoxious as the other. They are both bad trees which can do nothing better than bear bad fruit. They are both breeders of poverty, both founded upon unjust principles as they both lead inevitably to revolution.

* * *

To point the way between these two extremes may we explain that there are two kinds of property rights, namely, private property owned by private individuals and public property owned by the nation. The ownership of private property, however, does not argue that the owner of it may do with his property what he pleases. If a person owns a shotgun that is no argument why he may kill his neighbor's child. If a person owns a factory that is no argument why he may starve the laborers to make profits and profits only for the stockholders. All property is subject to control.

All property is owned primarily by Almighty God Who gave us this earth and the fulness thereof—its fields and its forests, its mines and its factories — to be used, if not owned, for the common welfare of every person. This the laissez faire philosopher denies as he places himself not only on a par with Almighty God but above Him in that he claims the unlimited use of those properties which he privately owns. This doctrine is anti-social in that it disbelieves by its practice that we are our brothers' keeper. Finally, this doctrine protests against liberty and justice as wealthy manufacturers reduce the laboring class into the bondage of economic slavery and forced, unprofitable idleness.

The third principle sponsored by Social Justice Councils which was formerly stated in the following words: **"I believe in nationalizing those public necessities which by their very nature are too important to be held in the control of private individuals."**

By this we mean that the time has arrived when our natural resources, as represented by the waters of the Niagara and the rapids of the St. Lawrence, by the Tennessee Valley Power Project and by the Coulee Dam—we mean that the time has arrived when America shall put its own resources to work for its people and cease farming them out to private individuals for their private profit.

We do not subscribe to the theory that we should nationalize public utilities. They should be permitted to operate under government control so that their rates and their profits will be regulated and rationalized. But, on the other hand, there is nothing to prevent our government, be it federal, state or municipal, from building its own power plant and from operating in competition with the privately owned utilities which, through their lobbies and their wealth and their influence, have dominated state and municipal governments and have even exerted their malevolent influence on the federal government.

There are millions of homes unlighted because of excessive utility rates. In our rivers there are wasted tens of millions of horse power that easily could be distributed to, at least, three-fifths of our population at half the cost which is being charged today.

These privately owned utilities lay great claim to credit for bringing electric lights and power to approximately 20-million homes. However, investigation shows that these homes are the homes of the urban dwellers of America. Out of 6,800,000 farms investigated, but 800,000 have electric service; the six million still light lamps and carry lanterns in the world's most highly developed nation.

* * *

AS important as is our post office system, which is nationally owned and controlled, we hold in equal, if not in superior importance, our natural resources of power and water, of banking, of credit and of currency.

We permit express companies to compete with our post office. We will still permit privately owned public utilities to compete with our nationally or state or municipally owned public utilities. It is our program to put the government in the banking business only insofar as it will own and control the central bank, but it is not our purpose to put the individual banker out of business provided he wishes to lend real United States money instead of privately manufactured money.

More than that, according to the third point in our program, it is our plan for the government to finance its own public works — not boon-doggling projects, but necessary public works—to pay its own public servants not with money borrowed from the private banks at interest, but with money issued by the nation and secured by the wealth of the nation at no interest. This is a program which demands the recall of certain government bonds now extant. As they come due, their holders should be paid off in redeemable bonds which bear little or no interest. By this procedure almost $1-billion a year would be saved in interest money to the taxpayers—interest money that is now supporting bankers, who, instead of loaning their manufactured money to private industry, prefer to wax fat by loaning it to the people of the United States to keep them in their luxury.

This policy of a public works program is sensible insofar as it is designed to take up the slack of unemployment which necessarily and increasingly results from our development of mass production machinery. It will embrace the stranded populations both in the country and in the city who cannot enjoy economic security under present conditions. Thus we advocate that a program of public works be devised by which our hitherto idle population will have an opportunity to earn its livelihood on the basis of a just wage. It dares not be less than a living wage. This wage, however, will not necessarily be commensurate with the wage paid by industry. Henceforth the industrial wage must be predicated upon a new division of the profits, a new share in the goods produced.

* * *

As soon as the produced goods of the factory will have been consumed or used, those engaged on the public works program will find a place for their labors in the factories. In the off-season they will return to their road building, to their reforestation, to their slum clearances. This means the end of the unscientific and uncivilized dole system. This means the beginning of a new wealth for the future generations of America.

In order that the above paragraphs may not be interpreted to be a contradiction to the just living wage advocated by principle No. 2, may we interpose the conjecture that as yet American industry has not at any time nearly attained the peak of its production. The demand for the conveniences of life in America far exceeds the supply. But because of the private control of money which has our natural resources and our industries in its clutches, the supply far surpasses the purchasing power of the consumers. This private control of money is the bottle-neck. Hence, we have seasonal stoppages in production which cause millions to be unemployed. With a properly government controlled money system industry, in spite of mass production methods, would quickly absorb most of these millions. A permanent public works program would provide a living for the others.

Since the sixth point of our program deals specifically with the abolition of the Federal Reserve Banking System and the establishment of a government owned central bank, we will briefly explain here that by the nationalization of banking we simply mean the coinage, the printing, the regulation and the issuance of all money. **We do not mean the destruction of the small local bank which, to the best of its ability, has served its community, an ability that was harnessed and hobbled by the dictators of a great central bank.**

In his encyclical "Quadragesimo Anno" Pope Pius XI says:

> "For it is rightly contended that certain forms of property must be reserved to the state, since they carry with them an opportunity of domination too great to be left to private individuals without injury to the community at large."

Unquestionably this private control of money, which we consider the prime economic cause of our distress, carries with it an opportunity of domination too great to be left to private individuals.

Until the right to coin and regulate the value of money is restored to Congress we maintain that no lasting benefit to our citizens can result from employment or higher wages or the naitonalization of other forms of property that carry with them an opportunity of domination.

Private Control Piles Up Monoply of Utility Empire

The extent to which private control of utilities can grow is graphically illustrated in the story of the United Corp., an outstanding public utility holding company.

Floyd L. Carlisle, now chairman of the board for Consolidated Gas Co. of New York, built up the Niagara-Hudson Corp. which controls more than 75 per cent of the power of New York state.

He built it by uniting the Schoelkop interests of Buffalo with the Carlisle interests of northern New York, the Brady interests of Mohawk-Hudson and the Morgan-Brady interests, into the Consolidated Gas of New York City. To all these interests, Carlisle then added the Bonbright and Drexel interests together, with the Mellon interests. Finally, came the year 1929, when Morgan, Drexel & Co. and the Bonbrights organized their United Corp. with the published objective of building "a strong equity position in the utilities controlling the Atlantic Seaboard Field."

In 1929, no more than 12 stockholders held control of the properties of this gigantic monopoly. Their interests represented a real value of $43-million, a book value of $125-million and a market value for the poor widow and orphan, the unsuspecting colleges and churches who were the victims who bought these bloated bonds and stocks "as an investment" to the tune of $312-million!

This definite picture of Niagara-Hudson is used as part and parcel of the greater holding company, the United Corp., whose open and avowed design was to take a monopolostic position in the utility field from Maine to Georgia on the Atlantic coast.

This is only one example of why we believe in nationalizing those public resources **which by their very nature are too important to be held in the control of private individuals.**

Birthday Dance and Card Party

in honor of

Rev. Charles E. Coughlin

OCTOBER 25, 1937

McDOUGALL'S CRYSTAL BALLROOM

Penn Avenue and Shady Avenue

East Liberty

Pittsburgh, Pa.

SOCIAL JUSTICE

FATHER COUGHLIN'S WEEKLY REVIEW

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PRINCIPLES OF SOCIAL JUSTICE

1. **Liberty of conscience and education.**
2. **Just, living, annual wage.**
3. **Nationalization of important public resources.**
4. **Private ownership of all other property.**
5. **Control of private property for public good.**
6. **Abolition of Federal Reserve Banking System and establishment of a government-owned Central Bank.**
7. **Restoration to Congress of its sole right to coin and regulate the value of money.**
8. **Maintain cost of living on an even keel.**
9. **Cost of production plus a fair profit for the farmer.**
10. **Labor's right to organize.**
11. **Recall of non-productive bonds.**
12. **Abolition of tax-exempt bonds.**
13. **Broadened base of taxation on basis of ownership and capacity to pay.**
14. **Simplification of government and lower taxes.**
15. **Conscription of wealth as well as men in event of war.**
16. **Sanctity of human rights preferred to sanctity of property; with government's chief concern for the poor.**

Dodging the Issue

IN his Constitution Day speech Mr. Roosevelt made much of the long standing evils brought upon this nation and its people by the Supreme Court.

He mentioned several national issues on which the Supreme Court had decided, in Mr. Roosevelt's opinion, "contrary to the interests of the people." Twenty years later, in each case, the Court either reversed itself or the people reversed the Court by war or constitutional amendment.

"Yes," said the president, "time more than ever before is vital in statesmanship and in government—in all three branches of it.

"We will no longer be permitted to sacrifice each generation in turn while the law catches up with life.

"We can no longer afford the luxury of twenty-year lags."

All very wise—all very statesmanlike. But in spite of that, by the very nature of things, the law will always be behind trying to catch up with life. Caesar couldn't change that, nor Napoleon, nor Stalin, nor Mussolini nor Hitler. And Roosevelt will not change it.

Dictatorships must assume the God-like pose. Dictators must be all-wise. Therefore their laws aim to mould human experience, to run ahead of it.

They overlook the fact of history that all human progress is a process of trial, error, and the correction of error. Experience and failure have always been the stepping stones to success, to progress.

No child ever learned to walk without stumbling and falling. No man ever discovered a truth of science, engineering, art or government without doing many things wrong in order ultimately to learn how to do them right.

To ridicule the Supreme Court either because its wisdom followed the experience of mankind, or because, with new wisdom, it changed its former decisions, is like ridiculing the growth of medical science for its slowness.

It is as absurd as that monumental absurdity of the president's Constitution Day speech when he said that the "layman's common sense" of the American people demanded that all three branches of the government be efficient—that is "that all three be **interdependent as well as independent.**"

The sophistry of stating that the branches of government be at the same time independent and interdependent marks his whole speech.

Mr. Roosevelt knew long ago everything he said about the "lag" which he now claims is solely the crime of the Supreme Court.

Were he gifted with consistent common-sense — "layman's" or otherwise—he should long ago have started crusading against this great evil that "sacrifices generations."

At the very worst, he should have made his recent crusade against the Supreme Court a major issue of his campaign for re-election.

The fact that he never mentioned the matter throughout the entire period when he was seeking his "great mandate" from the people indicates that he was afraid the people would not support him. He was afraid such an issue would too justly substantiate a charge of dictatorship.

In his Constitution Day speech, the president consistently dodged the real issue of the fight over the packing of the Court. **It never was a question of whether or not the Court needed reforming. It was and is a question of whether the people or the president should do the reforming.**

Odd Reasoning

A BASIC principle of democracy, one which has been vigorously assailed in other countries but always staunchly upheld in the United States, is the principle of majority rule.

A majority of any body is more than half of the members of that body, whether one more or a million more.

In his Constitution Day speech the president eloquently upheld the principle of majority rule, as long as it served his own purposes to do so. Thus he said:

"We have those who really fear the majority rule of democracy, who want old forms of economic and social control to remain in a few hands." And the president said he was against that philosophy.

A few moments later, however, he reversed his stand on "the majority rule of democracy" by belaboring the "odd man" in 5 to 4 decisions of the Supreme Court. A classic example:

"Lawyers distinguished in their day persuaded the odd man on the Supreme Court that the methods of financing the Civil War were unconstitutional. But a new odd man overruled them."

The president's obvious purpose was to implant the idea in the minds of listeners that when the Supreme Court divides, 5 to 4, the decision is, in fact, the decision of the "odd man."

He assumed that there are enough loose-thinking scatterbrains in the country so that **a majority would agree with him.**

The simple and honest way to say what the president was saying "smartly" is that when the Court divides 5 to 4 on any decision they are ruling according to the judgment of the majority, in keeping with "the majority rule of democracy."

There is no such thing as an "odd man"; and to play with words to suggest any Supreme Court decision is the decision of an "odd man" is purely political chicanery.

The "odd man" is one of five—a majority—who agree in a given 5 to 4 decision.

We have heard of the devil quoting the Scriptures to suit his purpose—but it takes our president to praise and damn democracy in a single speech—to suit his purpose.

EYES and EARS

By Mark Meechan

THE President celebrated the 150th birthday of the Constitution of the United States by picturing it (probably for the first time by any president) as a milk-and-water document that, because it might mean anything, means nothing.

Don't take anyone's word for that. If you heard his speech from the foot of the Washington monument, you should remember his astounding words.

If you didn't hear him, you owe it to yourself as an intelligent and patriotic citizen to dig up a copy of his speech (September 17) and find there these unexampled presidential words:

> **"When the framers (of the Constitution) were dealing with what they rightly considered eternal verities, unchangeable by time and circumstances, they used specific language. In no uncertain terms, for instance, they forbade titles of nobility, the suspension of habeas corpus, and the withdrawal of money from the Treasury except after appropriation by law. With almost equal definiteness they detailed the bill of rights."**

We have quoted the preceeding paragraph, by way of contrast with what follows, to indicate that the President explicitly believes that the Constitution was made partly of solid fabric and partly of rubber.

When it comes to the distribution of governmental powers as conceived and inscribed by the founders of their government the President serves his own purpose by saying that the part of the Constitution which covers them was made deliberately elastic. Note well his words:

> **"But when they considered the fundamental powers of the new national government they used generality, implication, and statement of mere objectives, as intentional phrases which flexible statesmanship of the future, within the Constitution, could adopt to time and circumstance.**
>
> **"For instance, the framers used broad and general language capable of meeting evolution and change when they referred to commerce between the states, the taxing powers, and the general welfare."**

* * *

We submit that those words of the President give the lie to the words of George Washington when, in his "Farewell Address," he said:

> **"If, in the opinion of the people, the distribu-**

(Continued on Page 10)

Radical Fads Clutter Our Schools

Spirit of Wickedness Is Rife in High Places

When Father Charles E. Coughlin recommended an action program for the Social Justice Councils he suggested that the attention be given to the educational system, to free it from the errors of radicalism and fadism.

What can Social Justice Councils, in their own locality, do in aid of wiping out radicalism or fadism in education? First of all knowledge must precede action.

What sort of knowledge is necessary before we may proceed intelligently in observing what is going on particularly in our larger communities with respect to radicalism in the schools?

The "Good Book" instructs us to work against the **"spirit of wickedness in the high places."** It is utterly silly to search down the alleys for the poor simple victims of radical philosophy when these victims are daily being bred in a system of modern capitalism little or no better than the Communism which confronts it. We must look carefully into sources of radicalism and seek "the spirit of wickedness in the high places."

Karl Marx Born Wealthy

Few Americans realize that **Karl Marx was born wealthy and never did an honest day's toil in his entire life.** When his own personal fortune was exhausted it was Frederick Engels, millionaire textile factory owner, who supported Marx and printed his volumes.

Few men realize that Prudhon, who is called the father of anarchistic philosophy came not from the ranks of the poor, but rather from the ranks of the wealthy. It was Prudhon who taught that property was theft.

Few realize that Bakunin, perhaps the greatest active anarchist that ever lived, was not born in some isolated cellar of a European capital, but was born of the nobility of old Russia. He was a man highly educated in the schools of Germany and France, who turned upon his class as he preached and practiced the philosophy of Anarchy.

Palace, Not Gutter, Produces Radicals

Adam Weishaup, the father of Illuminism, parent to radical philosophy throughout the world, was wealthy.

Adrienne duPont, prominent in the revolutionary activities of France, sought to place the Duke of Orleans on the throne of France by the simple expedient of revolution under the duPont formula—"Keep bread from the people and block reforms in the National Assembly."

With these historic incidents before us, from the biographies of the world's radicals, we seek the sources of radicalism today—not in the gutters and cellars nor in the ranks of the workers, but rather we seek wickedness where it always starts—"in the high places."

Nicholas Murray Butler Presents Communism

There is no more cried up name in the university life of America than that of the president of Columbia University, the university of J. Pierpont Morgan, namely Nicholas "Miraculous" Butler, who on November 12, 1934, wrote the introduction to an 80-page pamphlet entitled "The Political and Social Doctrine of Communism."

In justification for the publication of the writings of Joseph Stalin and Sidney Hook, Dr. Butler states:

"It is important that there be made available an authoritative setting forth of both Communism and Fascism as political, economic and social doctrines by those . . . who are definitely and authoritatively engaged in the administration of these forms of social organization and government."

The 80-page pamphlet was published by the Carnegie Endownment for International Peace and circulated at 5 cents a copy among the adolescent youth of America.

There is nothing in the universities of America to offset the close reading and study of such literature, which must be classed as **pure Communistic propaganda, edited by the distinguished head of Columbia University and made available by the Carnegie Endowment for International Peace.**

Becker of Cornell Adds His Bit

Following Nicholas Murray Butler we find Professor Carl Becker of Cornell University, writing an unusually brilliant "modern history." The text itself is perhaps the finest example of modern historical presentation. It is difficult to picture the adolescent mind reading this book and not going Communistic.

The story of James Simplefellow (Jacques Bonhomme) is repeated with variations in every American workingman's home.

Jacques is pictured as working hard for a poor living with the three masters: his feudal lord, his church and his king. From his slender income he supports the feudal lord with part of his product in the form of rent; he supports his church with a tenth of his product in the form of a tithe and he supports his king with a tax.

The description of state, of landlord and of priest is subtle, vicious classroom propaganda intentionally or unintentionally designed to inculcate hatred of landlord, hatred of government and hatred of religion. It is in this history of Carl Becker that Voltaire is pictured "not an atheist nor an enemy, but an enemy of the Catholic Church in France." (Page 191.)

In the discussion of Rousseau a complete grammar of Anarchy is presented the student.

These are not isolated instances, but merely examples of page after page of the grammar of Communism.

The coup d'etat is demonstrated, the power of the pamphlet is emphasized, the necessity of controlling the army if revolution is to be successful and the high praise of revolutionary heroes is all recorded in a style which invites the adolescent mind not to the principles of social justice, but to the formula of the Communistic state — Lenin becomes "the gentle Lenin" and **that which is written under the guise of history is entitled to an endowment out of Moscow.**

Moscow Professor Trains Youth

The American Historical Association is one of the most distinguished societies for the promotion of study in the nation. In October, 1932, a committee from this association was appointed, with Professor George Sylvester Counts of Columbia University, its research director.

The committee was empowered to prepare a report on social studies in the schools. The committee's report was issued March of 1934.

George Sylvester Counts, one of the outstanding radicals of the nation, received **an appointment to the faculty of the University of Moscow and his distinguished name attracts many a Columbia University student to Moscow annually.**

The report of his committee tells us that the age of collectivism is emerging. The report contains a thorough criticism of modern capitalism in most definite terms. It approves national planning and favors the Communistic as against the individualistic conception of national activities.

But more important than these things is the emphasis of the importance of supplementary reading in our schools. As a result of the study there is emerged a new course recognized and adopted by many of the school systems of our larger municipalities. The course is termed "Character Training."

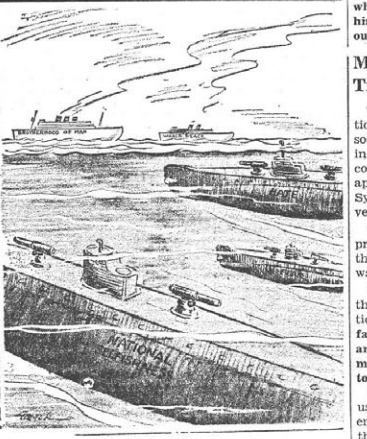
It is in this course of Character Training that credit is given the high school student for reading Thomas Minehan's book entitled "Boy and Girls Tramps of America." An attempt to borrow this book of filth from a public library was met with the answer that the book was in great demand—One of the five copies of this particular library proved to have been in constant circulation for a period of a year.

This is the work approved **in a course in Character Training in the public schools of America by the American Historical Association,** following the recommendation of its committee headed by George Sylvester Counts of Columbia and the University of Moscow.

Social Justice Councils would do well to examine the literature approved as supplementary reading and to examine, particularly in their own communities, whether character training is being taught in free America by the disciples of Adam Weishaup, Karl Marx, Frederick Engels, Prudhon, Bakunin, Lenin, Trotsky and Stalin.

PRESS CARTOONS OF THE NEWS WEEK

"Our Body Guard Still on Duty"
—From the Chicago Tribune.



"The Real Submarine Menace"
Fitzpatrick in St. Louis Post-Dispatch.

New York Editor 'Discovers' Fr. Coughlin

It is of more than passing interest that "to meet Father Coughlin" so often turns criticism into praise. It is still more significant that the severest critics of the radio pastor are those who have never met him. Editor Wallace Odell of the Daily News of Tarrytown, N. Y., who has been outspokenly frank about Father Coughlin in times past, pays one of the sincerest tributes we have read in many days. With fellow members of the National Editorial Association, the New York editor visited the Shrine of the Little Flower at Royal Oak, and in the August 12th edition of his newspaper recounts that experience:

"The greatest surprise we got on our Michigan trip was our visit with Father Coughlin. After listening to this famous priest over the radio on several occasions we pictured him as a wild-eyed radical and one whom we would like to see run out of the country. When we actually saw him and heard him talk we could hardly believe our ears and we thought our eyes were looking at the wrong man.

"Father Coughlin has done a great job in Royal Oak. His church, 'The Shrine of the Little Flower,' is a beautiful piece of architecture. It is octagonal in shape and cost a million dollars.

"Our party stopped at the church on our return from the Pontiac factory. We all got out and went into the church and when I arrived a young priest, Father Hutting, was explaining some of the features of the church. Then he stopped and said: 'Oh, here is Father Coughlin. He will tell you about the church.'

"Father Coughlin did. He was most hospitable. He was kindly looking. His voice was calm—there was no fight in it. He went to great lengths to tell of the problems in building the church. The first plans must have been elaborate and when the figures came in and were totaled up the sum was ten millions of dollars. Such a figure, Father Coughlin said, was out of the question. Then they were revised and the present church is the result.

"All seats face the center and in the middle of the church is a huge slab of marble. It is used for an altar and I suppose priests can conduct Mass from both sides. I don't know and I didn't ask. I know Father Coughlin explained about the pulpits—the church has two.

"'Over there,' said Father Coughlin, 'is where the Communists and others may ask us questions on religion. Opposite is the religious pulpit and that's where we answer doubters. It does much good and we clear up many misunderstood questions about the church.'

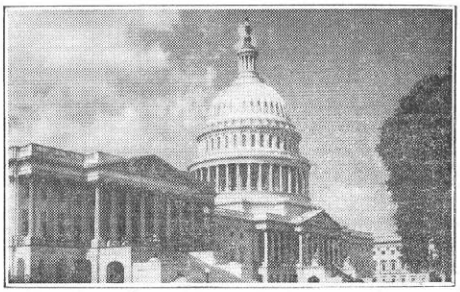
"Before Father Coughlin arrived, Father Hutting stated that the church would seat 3,000, but on the previous Sunday, seats had to be placed in the aisles to accommodate the crowds.

"On Sunday it is not uncommon to have from 25,000 to 40,000 visitors in Royal Oak.

"Father Coughlin has a magnificent church. It is a monument to him. The statuary is beautiful and the organ is one of the finest in America. Father Coughlin asked the organist to play for us while we were there.

"After his talk Father Coughlin invited the party to visit the sanctuary and to walk around the church and see the beautiful marble figures.

"In the church also is a special room for souvenirs and there is also a separate building where souvenirs are sold. Father Coughlin said he would be on the air in October."



CONGRESSIONAL RECORDINGS

Debate Preceded Hugo Black's Confirmation

Senate Voted to Approve Without Investigation

Refused to Consider Charges Concerning Alabama Senator Now A Justice

THE VICE PRESIDENT. The question is, Will the Senate advise and consent to this nomination?

MR. COPELAND — (Hon. Royal S. Copeland, Senator from New York):

I can conceive of no more important matter which could be considered by the Senate. I can conceive of a nomination for no other office which ought to be given more careful consideration.

Copeland

Neither the president nor the nominee can complain if we scan today with greatest care the character, the attitude of mind, and the past record of a man who has been named to the group that determines the destinies of a people presently free.

When the delegates of the Constitutional convention of 1787 drafted our charter of liberty, they sought to drive out of America for all time to come every form of tyranny and intolerance. The absolute independence and impartiality of the judiciary was their aim.

Send Doubts To Committee

At the moment America is free—free in all matters relating to education and civil rights. In our free America, with the Supreme Court above political dictation, bias, and bigotry, we worship God according to the faith of our fathers. We work for our daily bread without fear of racial discrimination.

We are free here in the United States because we are guarded by the Supreme Court. Catholics, Protestants, Negroes, Jews, gentiles, all of us, are guarded by the Supreme Court.

In the New York Sun for August 16, 1937, appeared an article by David Lawrence from which I quote:

"Senator Black is under charges widely made that he either was a member of the Ku Klux Klan, or accepted its support for election to the Senate of the United States in 1926. One of the obligations of the Klan at that time was discrimination against the Negro, against the Catholic, and against the Jew."

I have quoted Lawrence because he boldly recited the obligation of the Klan and of the Klansmen. It corresponds exactly to my own and to the general acceptance of the Klan's purpose.

Does the leopard change his spots? Will Mr. Justice Black be any different than Candidate Black, who according to the Mobile Register of August 15, 1926, "backed by the Klan, had a walk-away in his race for the Senatorial nomination"?

Senators, as I see it, our duty is clear. This nominee should be rejected if the Klan relationship charge is accepted as true. **If there is a doubt in Senatorial minds about his connection with the Klan, the nomination should be recommitted so that the judiciary committee may investigate and find the truth.**

Following the confirmation of Senator Hugo L. Black, as an Associate Justice of the Supreme Court of the United States, many facts have been introduced proving conclusively that the new Justice has belonged to organizations whose very nature unfit their members to become unbiased judges. Many Senators who voted for the confirmation, have since stated that they should never have done so, had the thought even occurred to them that the appointee may have been affiliated with the Ku Klux Klan. SOCIAL JUSTICE herewith presents (from the Congressional Record) some of the discussion that came to the floor of the Senate before the confirmation of Justice Black.

Senatorial Courtesy Must Not Interfere

MR. BURKE (Hon. Edward R. Burke, Senator from Nebraska):

Whatever may be said in favor of the doctrine of senatorial courtesy in general, it ought to have no place in determining the action of any Senator when considering a nomination to the great Court which stands as the final bulwark of our liberties, the protector and defender of the rights of minorities, the haven of the oppressed, the final refuge of those fleeing before the leash of the persecutor burning with religious or racial intolerance.

No doctrine of senatorial courtesy, no emphasis upon the kindly sentiment that exists in this body for one of its members, ought to deter us from examining, with what care we can, the record of the nominee, even though he be our colleague.

Burke

We have heard the views of the nominee expressed on the floor of the Senate and elsewhere at a time when probably no flight of fancy carried our colleague to the heights of imagining himself either a possible or a suitable appointee to the Supreme Court.

His attitude toward the Court as an institution, and in respect to individual honored judges, has not been such as to lead me to cast a willing vote in favor of his elevation to that body. I think a decent respect for the Court, carefully observed through the years, and not, it might be said, slipped on as a cloak in an emergency, should be a prerequisite to elevation to membership in that body.

The nominee has been caustic in his criticism. There has been something of a sneer in his references to the judges whose social and economic philosophy the Senator does not share. There has been a rather complete lack of what, it seems to me, ought to be the feeling of every just and fair person toward the body which has such an important function to perform.

What If He Is a Klansman?

MR. McGILL—(Hon. George McGill, Senator from Kansas):

Today we find the opponents of Senator Black's nomination, seeking to prevent confirmation on the theory that under no cirmustances is he qualified to fill the position of a Justice of the Supreme Court of the United States. On that score I have no difficulty whatever.

It has been my pleasure during the past seven years to sit on the floor of this body but a short distance removed from the Senator of Alabama. In my judgment every man on the floor of the Senate knows the character, the high standing and the qualifications of the nominee as well as does any other citizen of this country. He has demonstrated throughout his career here, since I have known him, that he is tolerant in his views toward his fellowmen, that he is possessed of great learning as a lawyer, highly educated, quick in intellect, and capable in every respect to fill the high office to which he has been nominated.

MR. COPELAND: If it were definitely proven that Senator Black has been a member of the Ku Klux Klan, would the Senator think that that disqualified him from the Supreme Bench?

MR. McGILL: It might under some circumstances and not under others.

Mr. COPELAND: What would be the circumstances under which it would?

Mr. McGILL: I am not going to go into any speculative proposition to determine with the Senator from New York whether or not a thing might have been true at some time or other. If it was true, what if anything, did the nominee do in his career that would disqualify him from holding the high office?

Ability Is Test, in Texan's View

MR. CONNALLY (Hon. Tom Connally, Senator from Texas):

What are the tests that the Senate should apply to nominees for office? I have known of only two outstanding tests that it has been the custom of the Senate to require. First, has the man character and integrity and honesty? Sec-

Connally

(Continued on Page 7)

"Black, White and Red All Over"
—*Chicago Daily News.*

Senators Debated Black Klan Status Before Taking Vote

(Continued from Page 6)

ond, has he ability?

Does the Senator from Alabama measure up to these tests? There has been no charge filed in the judiciary committee attacking the character or the integrity of the Senator from Alabama. Has he ability? Well, Senators say he has ability, but he has not judicial ability.

How can a man give evidence of judicial ability until he is a judge? Over on the Supreme Bench now there are several members of the Court who never held a judicial office until they went on the Supreme Court.

Why can the Senator from Nebraska not be charitable enough to say that the Senator from Alabama being an honest man, and being an able man and being an industrious man, when he ceases to prosecute, when he gives up his investigating committees, when he gives up his ambition to hold office and to run for office, and goes over yonder on the bench of the Supreme Court, **and with his hand on the Bible and with his lips touching it, signs an oath to perform the duties for the rich and the poor alike, will carry out that oath?**

I want to read to the Senate the oath a Justice of the Supreme Court must take. Listen to this. I—

"Do solemnly swear or affirm, that I will administer justice without respect to persons—"

MR. BURKE: Will the Senator read that again?

MR. CONNALLY: I thought the Senator heard it.

"I do solemnly swear, or affirm, that I will administer justice without respect to persons—"

MR. BURKE: "Persons" the Senator of course would understand to mean, regardless of race—

MR. CONNALLY: Exactly.

MR. BURKE: Religion?

MR. CONNALLY: Exactly.

MR. BURKE: Or anything else?

MR. CONNALLY: That is what the Senator from Texas means when he says that.

"I Move That We Investigate—"

MR. BRIDGES (Hon. H. Styles Bridges, Senator from New Hampshire):

I think it very inappropriate that any attempt should be made to railroad this nomination through this body without full public hearings and extensive investigation.

Bridges

The distinguished Senator from Texas (Mr. Connally) in speaking said:

"If Senator Black does not make a good judge, nobody is to blame but God Almighty."

I want to say that if Senator Black does not make a good judge, the responsibility does not rest on God Almighty but upon the President of the United States and the members of this body who vote to confirm him, and it will rest doubly so if we do not give the American public an opportunity to be heard!

I believe this nomination should be recommitted to the Committee on the Judiciary with instructions to hold public hearings, and to conduct a full investigation. In other words, let us have the facts; let us deal the cards and lay them face up on the table. If a person is above reproach, he has nothing to fear from public hearings and a thorough investigation.

I realize that from his past experience, Senator Black would be a good prosecutor, and I should have no hesitation in picking him out for the position of a prosecuting attorney, a district attorney, or any sort of a prosecuting official. **But a man may be a good prosecutor and not a good judge.** In a judge we must have fairness, we must have integrity, and human understanding of the other fellow's opinion, and not a partisan approach.

I move that the nomination of Hugo L. Black be recommitted to the Committee on the Judiciary for public hearings and further investigation.

In Fairness To Black

MR. TYDINGS (Hon. Millard E. Tydings, Senator from Maryland):

In the selection of an associate justice of the Supreme Court the committee charged with the responsibility of reporting to the Senate on the nomination should investigate every rumor that has any reasonable ground of fact before it reports the nomination to this body.

Tydings

I do not believe that course was followed in the case of Justice Black, and it is unfair to him to allow his nomination to come before this body under any cloud of suspicion of prejudice or fact which might affect his fitness as a judge.

If the rumors of which we have heard are not well founded, then the committee ought to ascertain the facts and publish them. If they are well founded, the Senate ought to know that fact. I shall support the motion to recommit because I believe the committee has not gone fully into many matters, a knowledge of which the Senate ought to have before it when it passes on anything so important as the nomination of one to be an Associate Justice of the Supreme Court of the United States.

MR. COPELAND: I agree with the Senator that this

(Continued on Page 10)

HUGO, WHY DIDN'T YOU TELL US YOU WERE A KU KLUXER BEFORE YOU WERE APPOINTED TO THE COURT?
BUT, KLEAGLE, LISTEN — FOR THE SAME REASON YOU DIDN'T TELL ANYBODY ABOUT THE COURT PACKING SCHEME BEFORE THE ELECTION
THE ADMINISTRATION
Kirby Thunderbolt
CRB.S. + W.C.

"The Koming Konklave"

—Chicago Tribune.

Senate Confirmed Him

—Acme News Photo.

Associate Justice Hugo Black of the United States Supreme Court

The Senate Vote to Recommit

YEAS—15

Austin	Hale
Bridges	Johnson, (Calif.)
Burke	Lodge
Byrd	Lonergan
Copeland	Steiwer
Davis	Townsend
Gerry	Tydings
	White

NAYS—66

Adams	Hughes
Andrews	Johnson, (Colo.)
Ashurst	King
Bankhead	LaFollette
Barkley	Lee
Berry	Lewis
Bilbo	Logan
Bone	Lundeen
Borah	McAdoo
Brown, (Mich.)	McGill
Brown, (N. H.)	McKellar
Bulkley	Minton
Bulow	Moore
Byrnes	Murray
Capper	Neely
Caraway	Nye
Chavez	Overton
Clark	Pepper
Connally	Pittman
Dieterich	Pope
Donahey	Radcliffe
Ellender	Reynolds
Frazier	Schwartz
George	Schwellenbach
Gillette	Sheppard
Glass	Shipstead
Green	Smathers
Guffey	Smith
Harrison	Thomas, (Okla.)
Hatch	Thomas, (Utah)
Herring	Truman
Hitchcock	Van Nuys
Holt	Wagner

NOT VOTING—14

Bailey	Maloney
Black	Norris
Duffy	O'Mahoney
Gibson	Russell
Hayden	Vandenberg
McCarran	Walsh
McNary	Wheeler

So Mr. Bridges' motion to recommit was rejected.

The VICE-PRESIDENT: The question is: **Will the Senate advise and consent to this nomination?**

The result was announced — yeas 63, nays 16, as follows:

YEAS—63

Adams	Frazier	Minton
Andrews	George	Moore
Ashurst	Gillette	Murray
Bankhead	Green	Neely
Barkley	Guffey	Nye
Berry	Harrison	Overton
Bilbo	Hatch	Pepper
Bone	Herring	Pittman
Brown, (Mich.)	Hitchcock	Pope
Brown, (N. H.)	Holt	Radcliffe
Bulkley	Hughes	Reynolds
Bulow	Johnson, (Colo.)	Schwartz
Byrnes	LaFollette	Schwellenbach
Capper	Lee	Sheppard
Caraway	Lewis	Shipstead
Chavez	Logan	Smathers
Clark	Lonergan	Thomas, (Okla.)
Connally	Lundeen	Thomas, (Utah)
Dieterich	McAdoo	Truman
Donahey	McGill	Van Nuys
Ellender	McKellar	Wagner

NAYS—16

Austin	Copeland	Johnson, (Calif.)
Borah	Davis	King
Bridges	Gerry	Lodge
Burke	Glass	Steiwer
Byrd	Hale	Townsend
		White

NOT VOTING—16

Bailey	McCarran	Russell
Black	McNary	Smith
Duffy	Maloney	Tydings
Gibson	Norris	Vandenberg
Hayden	O'Mahoney	Walsh
		Wheeler

So the nomination of Senator Hugo L. Black of Alabama, to be Associate Justice of the Supreme Court of the United States was confirmed.

57 Per Cent of World's Pe

War President's Dream Proves Costly to Democratic Liberties

EVERY one of the causes for which we entered the last war was a lost cause. But none has proved quite so ridiculuos as the claim by President Woodrow Wilson that our entrance into the war would keep the world "safe for democracy."

The tragic brawl, more than anything else, destroyed democracy, turned Europe into a stamping ground for ruthless dictators. Nineteen democracies since have died and the liberties of the people have perished with them.

A recent survey by "Plain Talk" magazine shows that 57 per cent of the inhabitants of the earth are living under mailed-fist dictatorships.

Only 14 nations, comprising an aggregate population of slightly less than 300,000,000 persons, are ruled by a democratic form of government. Twenty-one nations, with a total population of 488,300,558, have a limited monarchy form of government.

Compare this with 42 nations, with an aggregate population of 1,034,322,465 persons, who are forced to exist under absolute dictatorships, and you begin to realize how fatuous was the dream of our war-time statesman.

United States Escapes Menace

Of the 300,000,000 persons who still are blest with democratic liberties in a world stalked by 20th century Napoleons, 130,000,000 are citizens of the United States. And we came close to losing our democracy to a form of fascism during the last session of Congress. There is little doubt in the minds of intelligent observers that passage of the Roosevelt bill to enlarge the Supreme Court would have been a "kiss of death" to social and economic liberty.

Writing in "Plain Talk," Ira Q. Henry charges that when the "House of Morgan got the United States into the family row in Europe in 1917 to save its indiscreet investments (as they chose to call their loans to the Allies) they furnished Woodrow Wilson with some of the cleverest and most potent publicity writers imaginable."

Il Duce Dean Of Dictators

One of these Morgan writers, according to Henry, coined the phrase that catapulted us into the conflict — that glib battle-cry about making the world "safe for democracy."

"Wilson," says Henry, "dreamed a beautiful dream. He fondly imagined one could take those polyglot people of Europe, those cut-throat nations of the world, that seething maelstrom of humanity brought up on hate and distrust for their neighbor — and weld them into a happy family of nations."

In the place of kings, emperors, kaisers and sultans—and other symbols of thin-blooded royalty—strong-willed plebian leaders have risen and have been given powers undreamed of in former times.

"Mussolini," writes Henry, "was really the father of modern dictatorships. It was his 1923 march on Rome, leading a militant army of 'blackshirts' after the politicians and grafters of Italy had made it apparent that those in power were unfit to handle the public reins, which gave birth to the plebian dictatorship movement.

"The Russian Soviet, which posed as a democracy and claimed that the 'common people' ruled, became the most despotic dictatorship of all. Some say six or seven individuals dictate collectively. Others say Dictator Stalin is 'the works.'

"But whatever it is makes no difference. Russia is ruled with more of an iron hand than even Italy or Germany, because in the latter two countries the political murders are not publicized, deified and glorified as they are in Russia."

Of Japan, Henry asserts:

"Japan chooses to call itself a democratic monarchy with an emperor who is looked upon as a deity. But the fact is the nation is run by a military autocracy of the tightest kind."

Social Justice Program Only Bulwark Against Communism

Modern capitalism and the concentration of wealth have led to insufferable social and economic evils which exist on a globe-wide scale and which cry aloud for a remedy.

In our own country five per cent of the people have a great deal more of earthly goods than they can use. Of the rest, many have less than is absolutely necessary for human needs, and the great majority is unable to earn a just proportion of what is produced by its labors.

We are living in an age in which luck, or the accident of birth or individual ingenuity—rather than actual need—determine what share of worldly goods a man may possess for the upkeep of himself and his family.

The remedy does not lie in a revolutionary change from uncontrolled modern capitalism to Communism or to Fascism. That is tantamount to jumping from one evil system to another. The experience of Russia, Germany, and, more recently, that of Spain, have established the proof of this.

Communism is built upon false promises and visionary ideals. It is Godless and materialistic and therefore is a creed that destroys freedom and smashes whosoever refuses to believe it.

Yet, despite the soundness of these arguments, they aren't very convincing to the poor sufferer who smarts under intolerable wrongs, and who is willing to follow any demagogue who promises to put an end to exploitation and oppression.

The average laborer overlooks the vice and cruelties of Communism because of the promise of relief such a system offers. That promise has the ring of validity because it denounces the very real evils of modern capitalism.

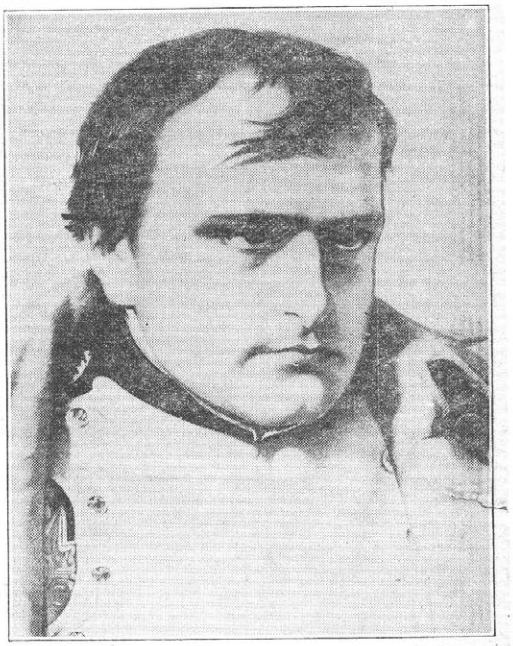
The worker fails to realize that Communism is a negative philosophy. It destroys but does not build, it denounces but does not cure.

Underfed, poorly-clothed and ill-housed Americans can look to only one safe and sane program of liberation from the evils of modern capitalism—the 16 Principles of Social Justice. Not once since Father Coughlin first expounded the doctrine of Social Justice have any of these principles been successfully challenged.

The basic flaw in our present economic system is an unjust monetary program. It is inimical to an equitable distribution of the wealth that rightfully belongs to all the people. Until our government throws off the shackles of the money changers there can be no social justice in America—no living annual wage for the working man, no cost of production for the farmer.

Napoleon's Coup / Folly of Pl / In On

"Trust Me . . ."



Napoleon Bonaparte —*Ewing Galloway.*

IN HIS inaugural address of March 4, 1933, Franklin D. Roosevelt spoke of an existing crisis, reminded the nation that "need for undelayed action may call for a temporary departure from the normal balance of public procedure," and said he would require broad dictatorial powers if Congress failed to pass the laws he wanted.

On March 4, 1937, four years later to the day, he again came knocking at the door. Speaking at the Democratic party "Victory Dinner" in defense of his plan to subjugate the Supreme Court, the President declared:

"At that time (1933) we faced and met a grave national crisis. Now we face another crisis — of a different kind but fundamentally even more grave than that of four years ago."

Less than a week later, in a "fireside chat" on the court pack plan, the President wooed the ear of his radio audience with the following words: "This proposal of mine will not infringe in the slightest upon the civil or religious liberties so dear to every American. My record as governor and as president proves my devotion to these liberties. You who know me can have no fear that I would tolerate the destruction . . . of any part of our heritage of freedom.

He was making a icans to sacrifice th order that he, their tect" their liberties which to gain power undeceived by this called the political people sacrifice the order to preserve often lose both.

How strikingly words to those ut Bonaparte just befo of the French gove to the Council of 1799, Napoleon decl

"The Republic is not search history may give reason fo activities. No epoc the end of the eight in that end there i moment. . . . We wa on liberty and equa it. With the aid of erty, I shall save th own name and in t ions-in-arms, I swe

Thus spoke Nap dictator of all time. later he was strewi of Europe with brok tempt to spread h

ople Are Ruled by Dictators!

In France Showed acing Trust e Man

"Have No Fear . . . "

...esident Roosevelt —*Wide World.*

subtle plea to Amer- eir independence in leader, might "pro- —an old device by r. Astute observers, demagoguery, re- axiom that when ir independence in their liberty, they

similar are his tered by Napoleon re he seized control rnment. Speaking Ancients in Paris, ared:

in danger. . . . Do for examples that or restraining your h in history is like eenth century, and s nothing like this nt a republic based lity. We shall have the friends of lib- ie republic. In my hat of my compan- ar it to you!"

oleon, the greatest

Less than a year ng the battlefields en bodies in his at- his dominion over Europe and Asia. Napoleon agens, Napoleon dicens! Action belying word.

He had a fondness for remarking: "There are only two powers in the world —the spirit and the sword. In the long run, the sword will always be conquered by the spirit."

His career, fashioned by the cannon and bayonets of his soldiers, was a living refutation of that philosophy, leading Goethe to comment:

"Napoleon went forth to seek Virtue, but, since, she was not to be found, he got Power."

He extolled liberty until his outrages could no longer be challenged by the voice of the people. Then he scoffed, as a Stalin, a Hitler or a Mussolini might now:

"Both the savage and the civilized man need a lord and master, a magician, who will hold the imagination in check, impose strict discipline, hold him in chains!"

Today, when an unprecedented era of revolutions is again opening the doors to ambitious leaders seeking autocratic powers, Napoleon should be an example to the world and a warning that too much delegation of power to one man, leading inevitably to a totalitarian state, means a cessation of liberties.

Line-up of Nations

The following list of the nations of the world and their forms of government was compiled by "Plain Talk" magazine. Spain is listed as a democracy with the observation that it is headed for a dictatorship.

NORTH AMERICA		
United States	130,000,000	Still a Democracy
Canada	10,376,000	Democratic Dominion
New Foundland	277,000	British Province
Mexico	16,404,000	Democracy
Cuba	4,000,000	Dictatorship
Haiti	2,550,000	Dictatorship
Santo Domingo	1,022,485	Dictatorship
CENTRAL AMERICA		
Nicaragua	650,000	Dictatorship
Costa Rica	471,524	Dictatorship
Honduras	800,000	Dictatorship
Salvador	1,460,000	Dictatorship
Guatemala	2,120,000	Dictatorship
Panama	467,000	Dictatorship
SOUTH AMERICA		
Argentina	10,904,022	Democracy
Brazil	41,000,000	Democracy
Chile	4,287,445	Democracy
Peru	6,075,000	Dictatorship
Uruguay	1,941,000	Democracy
Venezuela	3,026,878	Dictatorship
Colombia	8,200,000	Dictatorship
Bolivia	3,000,000	Dictatorship
Ecuador	2,000,000	Dictatorship
Paraguay	851,000	Democracy
EUROPE		
England (including Scotland and Wales)	46,000,000	Limited Monarchy
Irish Free State	2,972,802	Democratic Dominion
France	41,928,000	Democracy
Germany	66,000,000	Dictatorship
Italy	41,176,000	Dictatorship
Poland	32,132,000	Dictatorship
Spain	28,719,000	Communist Democracy
Russia	160,000,000	Communist Dictatorship
Holland	8,061,000	Limited Monarchy
Belgium	8,159,000	Limited Monarchy
Switzerland	4,066,000	Democracy
Portugal	6,608,000	Dictatorship
Norway	2,817,124	Limited Monarchy
Sweden	6,141,671	Limited Monarchy
Denmark	3,500,000	Limited Monarchy
Finland	3,667,000	Democracy
Lithuania	2,000,000	Dictatorship
Latvia	1,900,000	Dictatorship
Estonia	1,112,000	Dictatorship
Austria	6,526,661	Dictatorship
Czechoslovakia	14,750,000	Democracy
Hungary	8,688,350	Dictatorship
Jugoslavia	13,930,000	Dictatorship
Rumania	18,000,000	Limited Monarchy
Bulgaria	6,000,000	Dictatorship
Greece	6,480,000	Dictatorship
Albania	1,000,000	Dictatorship
Danzig	368,000	Dictatorship
Luxemburg	285,000	Limited Monarchy
Monaco	24,927	Limited Monarchy
Liechtenstein	10,000	Limited Monarchy
San Marino	14,000	Democracy
Andorra	5,231	Democracy
Iceland	110,000	Limited Monarchy
ASIA		
Japan	91,792,000	Military Dictatorship
China	450,000,000	Dictatorship
Manchukuo	25,000,000	Japanese Dictatorship
India	350,000,000	Democratic Dominion
Afghanistan	7,000,000	Dictatorship
Siam	11,506,000	Limited Monarchy
Turkey	14,000,000	Dictatorship
Persia	9,000,000	Dictatorship
Iraq	2,849,282	Limited Monarchy
Arabia	10,000,000	Dictatorship
Nepal	5,700,000	Dictatorship
Bhutan	250,000	Dictatorship
AFRICA		
Egypt	1,064,567	Dictatorship
Ethiopia	10,000,000	Italian Dictatorship
Liberia	2,000,000	Dictatorship
South Africa Union	8,000,000	Democratic Dominion
Southern Rhodesia	1,050,000	Democratic Dominion
THE ANTIPODES		
Australia	6,623,754	Democratic Dominion
New Zealand	1,537,000	Democratic Dominion

Arms Embargo Affects Only U. S. Vessels

(Continued from Page 1)

traffic in war cargo at their own risk.

The president made it plain that the Neutrality Act was not being invoked. Thus, an open door is left for the war merchants to carry on their dangerous enterprises.

In his statement the president did not choose to recognize officially that conflict is raging between Japan and China. Had he done so he would have been compelled immediately to proclaim the fact and put the Neutrality Act into operation.

Declaration Must Take Sides

The law automatically bars American munitions exports and financial aid to belligerents once the president has spoken. Thereafter the president is authorized to forbid American ships, both publicly and privately owned, to transport any other essentials of war — such as food, clothing and raw materials — which he might designate to the war zone. It is easy to see how such an imposition would seriously interfere with the profits of our international bankers and traders.

Despite his genuflection to the war profiteers, the president piously reiterated his intention to do "everything possible" to keep the United States out of foreign hostilities. It is perhaps significant that Mr. Roosevelt asserted that boast **shortly after a conference with Barney Baruch, Wall Street financier.**

Baruch wants war. It is to his advantage to embroil the United States in the next one. Small wonder then that he forcefully opposes and ridicules airtight neutrality legislation. He recently declared:

"No nation is completely self-contained for the purpose of supply in war. Can it be supposed that other nations which look to us in peace for their supply of wheat and cotton — both also indispensable for war—would not regard it as a stab in the back if we cut off their supply in time of great national danger?

"A neutral can maintain freedom of the seas only if it is willing and prepared to fight for it."

Editorial Confidences

(Continued from Page 1)

everyone who ever has heard a broadcast of Father Coughlin's or read an issue of this newspaper, is "Congress." The contest listed six suggestions, which included the "Senate," "House of Representatives" and the "United States government."

From a contest standpoint, the latter would have been a "best and most appropriate" answer of the suggestions available, but the judges — zealous for the cause of social justice as well as for an honest contest — rejected all the suggestions. Had the question been "who DOES" or "who CAN" issue money, it would no doubt have been passed. The question, however, was "Who SHOULD issue money" and no number of best and appropriate answers would satisfy these veteran students of social justice principles.

Although the elimination of question No. 1 caused much of the correspondence and some confusion, the great burden of correspondents approved the judges' action. Naturally, the computation based on 49 questions instead of 50 affected not at all the standing of the contestants. No matter what your answer was, EVERYBODY HAD NO. 1 CORRECT.

Picked at random from the 50, No. 31 was a typical contest question: **"I'll name ten national conditions. Tell me which is the result of a dishonest money system."** The rank and file of unwary competitors, of course, selected the answer: "Payment of a just, annual, living wage is impossible." A moment's study will discover that the trick is in that word "impossible." Payment of a just, annual living wage is NOT IMPOSSIBLE to General Motors, Ford, or any of the other vast industrial corporations who pile up huge surpluses annually It is not impossible to Nunn-Bush, the Joslyn company and the dozen or so smaller industrial units who have earned the Social Justice laurel wreath for their social contribution.

Looking for the next choice, one gets still further to the heart of this social justice question and finds that **"The dependence of industry is insured."** And this, of course, is at the very basis of all our battling against an unjust money system.

Payment of a living annual wage for labor, and the regulated purchasing power of the dollar so that annual wage will remain a living wage, is the first and immediate objective of any program looking toward recovery.

No regulation of the dollar is possible so long as the "creation of money" and the "amount in circulation" is in the private hands of those who reap a personal profit from its manipulation.

Furthermore, a moment's thought must make it obvious that neither Father Coughlin personally, nor the editorial staff of **SOCIAL JUSTICE**, would have time nor the facilities to devise and conduct a contest of the magnitude of the **KNOW SOCIAL JUSTICE** competition. As with all other publications which undertake nation-wide contests, the conduct and computation of the enterprise is in the hands of a staff of experts trained in contest promotion. To be sure, **SOCIAL JUSTICE** stands responsibly behind the excellent work of these persons but numerous letters to Father Coughlin personally or to members of the staff of **SOCIAL JUSTICE** regarding various details of the computation are hereby answered in the general way, until we can get time to write to each correspondent personally.

Senate Knew About Black Before Vote

(Continued from Page 7)

nomination should be recommitted to the committee.

It may well be of course, that the majority of the Senate feel that it makes no difference whether the nominee is or is not a Klansman. For my part, I feel **it makes a vast difference.** I do not believe that **a man whose mind may be fossilized as regards the right of certain classes of people should sit upon the bench.**

MR. GLASS (Hon. Carter Glass, Senator from Virginia): While it is my irrevocable purpose to vote against the confirmation of this nomination, I am utterly opposed to wasting any more time on the subject. Therefore, I am going to vote against the motion to recommit.

Black Said He Doesn't Belong

MR. BORAH (Hon. William E. Borah, Senator from Idaho):

There has never at any time been one iota of evidence that Senator Black was a member of the Klan. No one has suggested any source from which such evidence could be gathered.

We know that Senator Black has said in private conversation, not since this matter came up but at other times, that he was not a member of the Klan, and there is no evidence to that effect that he is. What is there to examine? **The country seems to proceed on the theory that there is something to examine, but there is not.**

MR. COPELAND: Does the distinguished Senator from Idaho feel that if Mr. Black is, or was, a member of the Klan, that would be any embarrassment to him, and be a reason possibly, for not placing him upon the Bench?

MR. BORAH: If I knew that a man was a member of a secret organization to spread racial antipathies and religious intolerance, through this country, I should certainly vote against him for any position.

MR. COPELAND: If there is the possibility—apparently the Senator dismisses that—but if there is the possibility—is it not wise at least to inquire from the candidate whether or not he is a member of the Klan?

There need be no objection to his membership in this body by reason of the fact that he is a Klansman. **The State of Alabama had a right to send him here if he were a Klansman.** But if there is any doubt on the part of the Senate as to whether he is a Klansman **in connection with this particular appointment,** it seems to me it is the duty of the committee to ascertain the fact.

The appreciation and gratitude of Father Coughlin and his newspaper staff is hereby warmly expressed for all those good friends whose letters of advice and counsel regarding the Social Justice contest have been received.

EYES and EARS

(Continued from Page 4)

tion or modification of the constitutional power be in any particular wrong, let it be corrected by an amendment in the way the Constitution designates—but let there be no change by usurpation."

As every man who has read the Constitution understands, George Washington knew what he was talking about when he talked of the "distribution of the constitutional power."

Washington knew, as any school child can read, that "the framers" distributed the powers of government between three branches of government for the precise purpose of ruling out forever, the possibility that one-man rule might ever again rise to afflict the people of the nation they were founding.

Even Franklin D. Roosevelt admits that Washington should know more about the intent of the Constitution than Mr. Roosevelt does. In this very same "rubber Constitution" speech he said:

"The Constitution of the United States was a layman's document, not a lawyer's contract. That cannot be stressed too often, Madison, most responsible for it, was not a lawyer — nor was Washington or Franklin, whose sense of the give-and-take of life had kept the convention together."

* * *

All that can be said to that grandiose bit of piffle is that give-and-take may have kept the convention together, but Washington had no give-and-take idea of what the convention meant when it finally ratified the Constitution. He speaks of a definite distribution of powers, constitutional powers, and he says that only the people have the right to change that balance of powers.

The Revolutionary war was fought to redress certain grievances enumerated in the Declaration of Independence and to set up a government free from such abuses.

Among those grievances and abuses listed as charges against the tyrannical George III was this fundamental violation of liberty:

"He has made judges dependent on his will alone, for the tenure of their offices and the amount and payment of their salaries."

What the President is trying to do to the Supreme Court comes dangerously close to what George III did to the courts of the colonies.

The President wants six judges who will "carry out his will alone."

Not only that, he wants such power without reference to the people, "in the way the Constitution designates."

The sweet-toned glibness of a living president probably has more influence on the average American than the silent page on which is written the parting advice of the Father of His Country.

But, in the hope that the latter still has some power, let us repeat a warning from Washington which seems to point an accusing finger at the New Deal:

"The alternate domination of one faction over another, sharpened by the spirit of revenge natural to party dissentions, which in different ages and countries, has perpetuated the most horrid enormities, is itself a frightful despotism.

"The disorders and miseries which result gradually incline the minds of men to seek security and repose in the absolute power of an individual; and sooner or later, the chief of some prevailing faction, more able or more fortunate than his competitors, turns this disposition to the purposes of his own elevation on the ruins of public liberty."

Present When He Joined

MR. BURKE: There are two gentlemen in the city of Washington, with one of whom I talked, and that one told me that he and the other gentleman in this city were both members of the Klan in Birmingham, Ala., and **both were present in person on the occasion of the initiation of Mr. Hugo Black into the order.** Both of these gentlemen could be subpenaed to come before the committee if the committee desires to go into that question.

MR. TYDINGS: It is unfair to Senator Black to have him go on the bench with the evil of suspicion thrown over him in this regard; and if for no other reason he ought to clear himself of such an imputation before he is put on the Supreme Court.

Senator Black above everyone else, should want the Senate to know the truth. What harm can there be if Senator Black is not properly subject to these imputations, for the world and the Senate to know it? What injury could come if these imputations were correct and we should find it out after we had voted to confirm him?

Vote To Recommit

THE VICE-PRESIDENT: The question is on agreeing to the motion of the Senator from New Hampshire (Mr. Bridges) to recommit the nomination to the Committee on the Judiciary.

The result was announced:

YEAS—15

NAYS—66

NOT VOTING—14

So Mr. Bridges' motion to recommit was rejected.

Lemke Rips Bond Money Racket, Challenges Nation To Shed Wall Street Yoke

Radio Appeal Asks Banking Laws for All

By Rep. William Lemke

The question under consideration is money. It may be well for us to consider the different materials which were used as money during the different periods of civilization. At one time mulberry leaves were considered as sacred by the people who lived then as gold is by some of us today. Later sea shells were used and I believe in some backward nations of the world they are still used as a medium of exchange —as legal tender. Later the goat became legal tender in some of the nations of the world and still later cattle. In our own country, in the early New England days, tobacco and whisky were at one time used as a medium of exchange — as money.

In the days when distant communication and transportation were unknown, barter and trade — exchanging one commodity for another — took the place of money. Primitive man, who traveled little and whose knowledge of the world was local, got along very well by exchanging the few commodities that he did not need with his neighbor for others that he did need. No common medium of exchange was necessary. He had plenty of time to bargain personally with his few neighbors. It was easy to exchange the few surplus commodities he had by trade.

But as civilization advanced, as man's knowledge of the planet on which he lives increased, as communication and transportation took place between more distant communities, it became necessary to have some common medium of exchange — money. The article at first used as money had intrinsic value. That is, it was useful. It was desirable either as food, clothing or as an ornament. It was made money because of universal consent — because of universal desirability.

"Greenback" Money Has Saved Billions

Today money no longer has intrinsic value. It is not gold, it is not silver and it is not paper. It is made by law. It is made full legal tender for all public and private debts by a sovereign government. The gold and silver in a dollar has no value as such. It is true, it has a commercial value as gold and silver, but not as money. A five dollar gold piece, used as money, has no more value than the paper used in a five dollar United States note or a Federal Reserve note. It is simply a yardstick, a medium of exchange, stamped with the full legal tender privilege by the government.

A dollar is a dollar in this country because it is made so by Act of Congress — by law. It makes no difference to you what material the government uses to make its dollars of. It may make them out of gold, silver, brass or paper. In fact, today, except for the silver, nickel and copper coins, the only material used to make money by the government is paper; such as National Bank notes, Federal Reserve notes and United States notes.

The United States notes are the much talked of and despised Lincoln "greenbacks." They were issued during the Civil War. They are still in circulation. They have saved and made for us over twelve billion dollars since they were first issued. Under authority of law they are now re-issued whenever they get into the hands of the Treasury Department. There are now, and have been for years, outstanding some $346,681,016 of this money. These "greenbacks" won the Civil War. They not only saved us twelve billion dollars in interest, but have since that war transacted billions upon billions of dollars worth of business for Uncle Sam's people. This is truly patriotic money.

Bond Debt Money Boon to Bankers

As we have seen, money is made by law. Our government makes it. Take a ten dollar Federal Reserve note out of your pocket. Whom does it belongs to? Is it yours? It is not. If you give it to your neighbor is it his? No, it is not. If he gives it to his local banker in payment of a promissory note, does it belong to the banker? No it does not. It belongs to the Federal Reserve Bank that got it from your government for nothing save and except the cost of printing.

This Federal Reserve Bank, together with eleven other Federal Reserve Banks—private corporations —have $4,495,210,935 worth of Federal Reserve notes, for which they paid 7/10ths of 1 cent per bill, or on an average of about twenty-seven cents per thousand dollars. This money, which belongs to all the people, your government prints and gives to the Federal Reserve Banks for nothing save and except the cost of printing.

How do they get it? These Federal Reserve Banks get this money by putting up debts, acceptable paper, together with debts of the government of the United States, a bond, with the Board of Governors of the Federal Reserve System. The Board of Governors of the Federal Reserve System then clips the coupons from these bonds and pays the interest as it becomes due to these banks, so that these banks have the bonds, receive the interest on the bonds and on the acceptable paper, and also have the use of the money.

After our government had given all this money to these banks, it found it necessary to borrow some of it back. It sold bonds. The amount of these bonds, together with certificates of indebtedness, is now over thirty-six billion dollars and will be over thirty-eight billion dollars by the end of the year. These bonds bear interest and are tax-exempt. The bankers used the $4,-495,210,935 of Federal Reserve notes, which the government gave them for nothing, as a revolving fund with which they bought the thirty-six billion dollars of bonds.

The Interest Racket, A Vicious Cycle

Now these banks have the government's bonds and also have the $4,495,210,935 of Federal Reserve notes. In plain words, the government gave its credit and its money "that belongs to us all" to the large bankers through the Federal Reserve Banking System for nothing, and we, the people, are paying annually one billion eighty million dollars interest on our own money and credit, or $8.37 per capita a year.

That is not all. Using this same money that the government gave them as a revolving fund, these

Representative William Lemke, of North Dakota, whose recent radio talk is reproduced at the request of many readers of SOCIAL JUSTICE.

bankers have plunged this nation into public and private debt in excess of three hundred billion dollars. They have used this money and credit in such a way as to have manipulated millions of people out of their farms, millions more out of their homes and millions more out of their jobs.

They have used this money and credit in such a way that they are drawing interest on eighty dollars of debts for every dollar of real money that actually exists. At 5 per cent, the interest on this vast indebtedness amounts to fifteen billion dollars annually, or $120 a year for every man, woman and child.

As a remedy for this situation, I introduced a bill creating the Bank of the United States. This bill is modeled after the bill that established the Bank of North Dakota, of which bill I was the author. I shall not here discuss the remarkable success of that bank, except to say that it is the only bank owned, operated and controlled by a sovereign state. It has made and saved millions of dollars for the state and its people. Every state in the Union ought to have a similar bank.

Urges National Bank As Crying Need

When the bill creating the Bank of the United States becomes a law, it will give the nation a banking system owned, operated and controlled by our government in its sovereign and governmental capacity. It will give to the people of this nation, at all times, a sufficient currency—a medium of exchange so that the energies of all the able-bodied men and women can and will be utilized in the creation of new wealth. It will give us the "abundant life" rather than poverty by scarcity, produced by the wanton destruction and ignorant curtailment of the production of wealth, through the insanity of official Washington.

Under the provisions of this bill, the policy of the bank will be in charge of a Board of Control, consisting of forty-eight members, one from each state elected by the electors of that state the same as members of Congress. It will take the control of the money and credit out of the hands of one state—out of the hands of Wall Street—and place it in the hands of all the states—in the hands of the sovereign people—where it belongs. The Board of Control will appoint an Executive Committee and a manager and other officers to operate the bank on behalf of the nation.

Under this bill the government will issue five billion dollars of currency, to be known as "United States Money," to the bank as its capital and revolving fund. Such notes will be full legal tender for all public and private debts. They will be secured by the full faith and credit of all the resources of this nation. They will be secured by the gold and silver now in the United States Treasury or buried by it in subterranean vaults.

Bank Would Aid All Americans

They will be secured by the gold and silver in the hands of private individuals or corporations or that may hereafter be mined or produced. In fact, it will be real money based upon wealth and not upon debts. It will be backed by all the people, with all the wealth and all the property of this nation. It will be constitutional money, issued by the authority of Congress.

This bank will transfer funds to the credit of the Treasury of the United States for public works and public expenditures as directed from time to time by Acts of Congress. Thus it will put the United States upon a cash basis. It will use the money and the credit, that belongs to us all, for the benefit of us all in place of giving it away to a few individuals and borrowing it back again by issuing tax-exempt interest-bearing bonds. It will end the tax-exempt interest-bearing bond issuing racket once and for all. It will save the federal government and the state governments and the political subdivisions billions of dollars of interest. It will prevent unemployment, give employment assurance and will establish permanent prosperity.

This bank will make loans to any state or territory of the United States, or to any political subdivision thereof, for public improvements up to 30 per cent of the assessed valuation of the property of any such state, territory or political subdivision. It will give preference to states, territories or political subdivisions whenever and wherever there is unemployment or where the wage scale for common labor falls below a living annual wage. It will enable us to establish an American standard of living for all of our citizens.

Home, Farm Protecion To Be Guaranteed

This bank will make loans to the Farm Credit Administration, secured by farm loan bonds, issued for the purpose of making farm loans or refinancing and scaling down existing farm debts. It will make loans to the Home Owners Loan Corp. secured by home loan bonds, issued for the purpose of making loans on homes or refinancing and scaling down existing loans on homes. It will use the money and credit of this nation to save our homes and not to wreck them. It will stop mortgage foreclosures and will stop the cruel, brutal and inhuman eviction of men, women and children.

These loans to states, territories and political subdivisions, and to the farmers and city home owners, will be made at a service charge not to exceed 1 per cent per annum. If in the past and at present it has been and is proper to give the money and credit of this nation to a few large and international bankers at 7/10ths of 1 cent per bill, then how much more intelligent it will be to use it to protect the homes of this nation and to forever abolish unemployment by employment assurance — to forever abolish poverty and slums.

This bank will not be allowed to deal in foreign exchange, or in foreign money or securities. Nor will it be allowed to make any loans to foreign governments, foreign banks or foreign corporations. It will be prohibited from joining the fraternity of international bankers. It will stay at home and mind its own business. It will deal with Americans and will not be affected with an inferior foreign complex. It will be a thorough believer in America self-maintained and self-contained. The Bank of the United States will coin and issue the money and regulate the value thereof, not for the benefit of a select few, but for all of us.

This bill provides that the bank, using its capital and other available funds as a revolving fund, shall take up the thirty-six billion dollars of outstanding tax-exempt interest-bearing bonds and certificates of indebtedness. In other words, this bank, by using the money and credit that belongs to us all, will take up the government's outstanding interest-bearing obligations and henceforth transact the nation's business with cash.

Another British Expert Confers With Treasury

WASHINGTON, D. C.—The latest messenger to arrive in this country on invitation of Secretary of the Treasury Morgenthau is Sir Frederick Phillips, undersecretary of treasury for the British government.

Although official comment was lacking, it was "generally understood" that the conference **would be regarding monetary matters.** Mr. Morgenthau, of course, sought to discount the importance of Sir Frederick's visit.

The conference followed closely on the designation of William W. Butterworth by the State Department to represent the Treasury of the United States in London. The department also appointed Merle Cochrane, first secretary of the United States embassy at Paris, to a similar task.

Secretary Morgenthau explained that this marks a new policy of having officials representing the tripartite pact adherents come here for more direct contacts on money matters.

There will be no discussion of the foreign debts according to Mr. Morgenthau. However, other factors to be discussed are:

1. Heavy shipments of gold abroad by Japan to finance purchases to carry on the Far-East warfare.

2. Recent weaknesses of the French franc.

3. The European crisis growing out of the Spanish conflict.

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Warfare Step in Asiatic Conquest

Long Range View Taken By Japanese

Western Powers Look On Helpless While Drama of Oriental Exploitation Unfolds

By the Foreign Editor

The present Chino-Japanese warfare was carefully planned. It is part of a far reaching program with the ultimate objective of Japanese supremacy in Asia and the Orient.

In the meantime, two of the greatest so-called democracies of the world — the United States and England — can do little more than write polite notes and exhort Japan and China to "cease and desist" in the name of humanity. The truth of the matter is that America's president and Great Britain's prime minister are both controlled by the same internationalists who operate behind the scenes and both nations are equally helpless to do anything about it.

So clever have been the moves of this unseen group that they have had us enact a Neutrality Act which is little short of an absurdity. Our representatives find themselves in the dilemma of not knowing which side to choose. If we regard China as a "belligerent" who must be penalized, we are condoning a wanton act of aggression and the wanton violation of two treaties with Japan: the Pact of Paris and the Nine Power Treaty. On the other hand, if we regard Japan as the belligerent we renounce solemn pledges and legal rights and actually back down to relinquish the field to the aggressor.

Both England and America realize the commercial danger of Japanese domination. If Japan conquers China, there will be an empire in the Orient which will mean economic chaos in the western world. Statesmen know that such an empire would mean the complete ruin of the United States cotton belt. Given a stable government — which Japan certainly proposes to establish —China could produce tremendous quantities of cotton, and Japanese mills could sell the finished product **at a price that would wipe out the remaining British textile industry as well as that of the United States.**

Japan pays her girl workers in model, modernistic cotton mills $11 a month wages out of which they must pay the management 14 cents a day for food. They are boarded and schooled in these factories and have no home life, and at the end of three years have an option to marry and are then given a dowry of around $100. The workmen of the western world are supposed to compete in world markets with their finished article. It can't be done. **And the international bankers who financed these model factories know it!**

Viewed from a nationalistic standpoint, Japan is out to make China a puppet government which would give her military, political and economic predominance in the world. The Japanese have been preparing for a great war for a long time.

For years, Japan has been accumulating reserves of iron ore, scrap iron and the implements of war. As far back as 1931 when she seized Manchuria, the plan was plainly apparent. With the control of the poppy fields of Manchukuo, not to mention the other resources untapped as yet, Japan has a virtual monopoly on the opium traffic. The spread of this evil in the Chinese army has done much to weaken morale and effective military strength.

At first, it seemed that the Japanese objective was only the five Northern provinces of China. Then she invaded Shansi, the sixth and model province. Now it appears she is going after all of China from head to tail. She has bombarded Chinese ports, she has capitalized on the fact that China has no navy by establishing her own blockade over all the Chinese maritime provinces to cut off supplies and war materials.

In other words, we are witnessing a final, supreme effort to conquer the whole of China and set up an empire of 500-million people and if successful, will mean a threat far greater than the military and commercial empire of Germany to England before the World war.

Japan's new premier, Prince Fuminaro Konoye, writing in "Contemporary Manchuria," an English language publication of the South Manchuria Railway Company, says:

"Asia is now awakening with undreamed of rapidity. It is no longer the colonial appendage of the western powers. Should there be an activity aimed at suppressing the Asiatic renaissance movement, or the pan-asiatic objective of Japan, alienating those people engaged in the promotion of such a movement—the sole purpose of which is to contribute, under the inspiration of a culture of three thousand years, its own share to the sum total of human civilization—such an activity should be condemned as a heinous crime against the cause of humanity. A person who would approve of such perfidy should be ostracized as a traitor to humanity."

Poor humanity!

But despite the thorough preparations made by Japanese military strategists, they have been unable to gauge the psychological effect that the repeated invasions have caused throughout China.

It has awakened the nationalistic spirit that General Chiang Kai-Shek sought so diligently to arouse these last ten years and this has been responsible for a stubborn resistance thus far made by Chinese forces.

There is a question whether this aroused Chinese spirit can give a sustained resistance.

In the meantime, naval experts of United States and Great Britain have worked out an economic blockade of Japan that, they believe, could subdue her shortly. It is predicated on the fact that Japan is, after all, only a group of islands, and must, therefore, import everything by sea.

In the meantime, Japan must consolidate her gains and win quickly. If she does, she will be in a much better position to prepare and fight an ultimate war with Communist Russia, possibly with the aid of Germany and Italy.

THIS WEEK IN THE WORLD

"Hooded Ones" Terrorize France

PARIS, FRANCE.—While America gets all stirred up about the Ku Klux Klan, the French seem to be having their internal troubles also. A marauding band that has resorted to murder, bombings and arson throughout the country and instituted a reign of terror, are known to the French Secret Police to date only as "the hooded ones." Everything is being blamed on these "Hooded Ones," even the Mediterranean submarine piracy episode. Charges and counter charges fly as to who is behind them and what their purposes are, but to date responsibility has not been placed.

Prof. Marsaryk Czech's Washington

PRAGUE, CZECHO SLOVAKIA. —The scholarly professor of philosophy at the University of Prague who became the first president of Czecho Slovakia, Dr. Thomas G. Masaryk, is dead at the age of 87. His mantle falls on 35 year old Eduard Benes, who was his pupil in school, and his companion, who shared the old statesmen's ideals and labors.

In the course of his studies and after the disastrous 30 Years' War, Prof. Masaryk saw his countrymen reduced to political, social, and cultural impotence. It was then that he became imbued with the passionate desire to some day unify and free his people. When the map of Europe was re-cast after the World War, the people of Czecho Slovakia recognized the efforts of Marsaryk had made on their behalf. The Moravians, Bohemians, and Slovaks united in a new nation and Prof. Masaryk was chosen president.

Ever since the republic was founded, Masaryk had watched a rising sea of dictatorships surround his little island of democracy in seething Central Europe. He played a cautious and shrewd hand in the cross currents of Europe and was regarded as the liberator and awakener of the Bohemian and Slovak peoples.

League of Nations Bans Red Spain

GENEVA, SWITZERLAND. — One of the most surprising acts of the tottering League of Nations was the removal of Communist Spain from the roster of nations. Stunning League officials, the official assembly refused, by a vote of 24 to 23 to re-appoint Spain to the council. Those opposing were mainly the South American daughter republics. Turkey put in a bid for the vacated seat, but this, likewise, was voted down. Observers believe the place will go to Belgium.

Hitler's Brother Runs Nazi Cafe

BERLIN, GERMANY. — Reichsfuehrer Adolf Hitler's half brother, Alois Hitler, has opened up a cafe in Barvarian style on Wittenberg Square, near Berlin's fashionable West End. While he claims no special patronage because of his kinship, the place is now well-known and Hitler's guards and members of the Nazi party are all part of a growing clientele. The half brothers have remained in touch all their life. However, when Adolf embarked on the ill-fate Munich putsch in 1923, he advised his brother to stay away as he did not want it made into a family affair.

Japan Squeezes Textile Trade

MANILA, PHILLIPINES. — A few weeks ago, SOCIAL JUSTICE told the story of Japan's textile industry, fostered by international financial houses because of low labor costs. Now, the United States - Phillipine joint committee investigating the economic phases of the proposed Phillipine independence reports that Japanese manufacturers have steadily squeezed Americans from a virtual monopoly of the market in the last 10 years. Japanese trans-shipments through Hong Kong have given the major share of the market to the Nipponese. In the meantime, America's cotton textile shipments to the Phillipines dwindled 26 per cent — one-fourth last year! The committee has proposed higher cotton tariffs, but this is only aiming at the effects. It doesn't touch the cause—international economic war.

Experimentation in Social Science Now 'Exploding'

Frank R. Kent in the Baltimore Sun:

"Some day the people of the country, particularly the women, who have to keep house, are going to wake up to the fact that the vast and reckless waste of public funds is directly linked with the increased cost of living.

"Some day the wage earners are going to realize that they have been played for suckers; that they have been following foolish men; that these lovely phrases about the 'more abundant life'; this great solicitude for the 'underprivileged' and these gaudy word pictures of themselves as noble, gifted and unselfish, drawn by the shallow, exuberant young theorists, elevated into positions where they can spend other people's money on their crackpot schemes, are all claptrap and buncombe. And when they do grasp these truths they will turn upon the wasters and dreamers and sweep them out.

"As the price of food climbs, there are beginning to be certain signs, disturbing to the better balanced among administration politicians, that popular comprehension is growing keener and that while the President still has a great personal following, there is an increasing uneasiness about what he is doing and a growing belief among the classes to which he has most strongly appealed that in the end they may be worse off than they were before."

We See By the Papers

15 Senators Have A Clear Conscience

From the New York Sun:

"There are 15 members of the United States Senate who can feel free from the embarrassment caused by the allegations of Justice Hugo L. Black's affiliation with the Ku Klux Klan. Other members of the Senate may have to rush into print with statements that they **never would have voted to confirm Mr. Black if they had known then what is intimated now,** but the 15 may rest upon their records. On August 17, just before the Senate voted to confirm the nominee, Senator Bridges of New Hampshire moved to recommit the nomination to the Senate Judiciary Committee for investigation and hearings. Those who voted for this motion were the following:

"Austin of Vermont; Bridges of New Hampshire; Burke of Nebraska; Byrd of Virginia; Copeland of New York; Davis of Pennsylvania; Gerry of Rhode Island; Hale of Maine; Johnson of California; Lodge of Massachusetts; Lonergan of Connecticut; Steiwer of Oregon; Townsend of Delaware! Tydings of Maryland; and White of Maine.

President Roosevelt may be embarrassed by the issue. The new Justice may be so embarrassed by the issue as to ask that the press be called off. But there are 15 Senators who can sleep of nights, free from thoughts of the necessity of preparing a statement for the press.

Responsibility Of Labor Imperative

From the Washington Post:

"In agreeing to take disciplinary action against its members who participate in unauthorized strikes the United Automobile Workers Union has taken a step that should greatly strengthen its position as a bargaining agency. The recognition by employers of the right of their employes to bargain collectively is only a preliminary to the negotiation of contracts fixing the conditions of work and pay. And a contract, to be useful, must be binding upon the parties to an agreement for its duration.

"In the recently organized mass-production industries complaints have arisen of numerous unauthorized strikes following conclusion of agreements. There are said to have been more than 200 such 'wildcat' strikes in the General Motors plants alone since that corporation came to terms with the U. A. W. U. Disturbances of this sort are, of course, to be expected in the early stages of a unionization movement among workers unaccustomed to the discipline of union leadership. But such sporadic outbreaks cannot long be tolerated if collective bargaining is to be established upon a firm basis, bringing benefits to both employers and employes.

"The strong, well-established unions take pride in their record for fulfillment of the terms of their contracts. They realize that a reputation for keeping promises is a most powerful bargaining weapon. Inability to control dissident elements, in union ranks is a confession that the discipline so essential to effective co-operation is lacking."

The People Speak . . . .

Centralized Power Always Dangerous

To the Editor:

One of the inconsistencies of this administration is that of offsetting its relief work by letting so much foreign goods be shipped into the United States and by making a market for foreign goods by paying our own producers not to produce, thereby depriving our own laborers of the work of producing what we could produce at home.

In this way they have thrown more and more men on relief. By making them dependent upon the government for a job, they have influenced their vote, and centralized the power to the point of danger.

Having so many on the relief, has made taxes so heavy that it makes our industries less able to pay a living wage to the workers. This may be one way of doing away with private ownership.

All glory to the Senators who prevented this further centralization of power in the court packing bill from going through. This may open our eyes to the fact that our leaders need watching. Some people are very smooth diplomats, but at times they get overly confident and let the cat out of the bag.

—P. A. McAndrew.

Maricopa, Calif.

Poor Workers Give But Won't Receive

To the Editor:

Can you tell us why the poor wage earner is now being forced to pay into the President's security bill, when he is not included in the annuities and will never get anything out of it?

I say forced, because they are being told by the packing house employers, or at least those in this vicinity, that they cannot get a job other than a chimney sweep unless they sign the card and wear a number. Every place the poor fellows go, they are asked to sign the security bill and pay into the fund. In the fig plant, and green and dried fruit houses, where they cannot get a job unless they sign up, the money is held out of their small payrolls.

Now those workers do not average $200 a year. The fruit season is practically all the work they have and then they are on relief. Women and men are having money held out of their pay, when the law specifies that that certain classes of workers including casual laborers cannot contribute to or draw annuities for this act.

Thus some 26 million of the 50 million employables should be excluded. Why are they asked to contribute? The New Deal opponents said that it would collect the money from the very poor while pretending that it came from the rich. Were they right?

The President told us soon after he was elected the first time, **that no one should lose his home for taxes.** We felt that we were safe even though we were behind in our taxes, that he was going to cancel these delinquent taxes, and we would not lose our home.

But to our disappointment, it seemed that he did not remember that promise. **We lost our home for taxes, just as if he hadn't said it.**

—H. M. V.

Dinuba, Calif.

Money Is Man-Made; Man Should Understand

To the Editor:

Money, to some people is a mystery. As far as that goes, so is toothpaste a mystery—to some people. Toothpaste and money have a major factor in common, they were both the invention of man, and **anything man makes, man can understand.** To believe otherwise is either logic in reverse or the elevation of man to the supernatural.

More people believe in the immaculate conception of money, than believe in the Immaculate Conception of the Mother of God. To believe in a mystery of man and not of God is a strange paradox.

The great mystery of money is how its true character has been kept from the public so successfully for such a long period. The private creators of lucre through their propaganda agencies, have set the public mind so strongly against the real knowledge of money that most people don't even want to talk about it. Yet there isn't a day passes, that one doesn't hear, see, taste and feel the effects of its scarcity and evil, not once stopping to think that there must be an evil tree somewhere to bring forth such evil fruit.

The truth about the money mystery is that the debt merchants do not want the people to know, for if truth were known, it would be changed to their complete destruction. Their trick of pulling money out of a ledger by waving a fountain pen is **only successful as long as the public is ignorant of their secret.**

The truth about money is open to anyone who wants to know it. An easy lesson and a convincing book on the subject is Father Coughlin's book, **"Money: Questions and Answers."** It is based on undeniable facts and reveals bankers' tricks which the general public never knew of.

Father Coughlin predicted that there could be "no recovery without monetary reform." More and more every day we see the truth in that statement. If this administration would suddenly stop injecting increasing doses of government spending, our economic structure and the so-called reforms would collapse like a house of cards, in less than three months!

A nation is forced and sacrificed to continue a privately owned money system that will no longer work. Already the bankers are feeling the discomforts of their own gluttony of feasting on government bonds. One hears great cries for the government to balance the budget, but it seems to be too late. They have become the victims of their own poison. Many member banks are seeing the proverbial handwriting, and are trying to taper off by selling government bonds. The reserve board is determined that the member banks are going to eat bonds if they have to shove them down their throats.

A bankers' service called "Bondex" (bankers' encyclical letter) admits that the banker and his bonds are in somewhat of a helpless position. Another bankers' dope sheet advises bankers to reform for their own salvation, and shows many good points in the Thomas and Patman money bills.

The money power of this nation must forget internationalism. This long drawn out economic business is not only wrecking the financial but also the moral and physical senses of this nation—and the world.

There is only one way out, and that way is social justice.

—J. T. C.

West Newton, Pa.

Congratulations To "Non-Catholic"

To the Editor:

I read with great interest the letter written by a Non-Catholic of Spencerport, N. Y.

I hope that I am one of the first to congratulate this man or woman for his forward and truthful letter. You have done Catholics a great service, my Non-Catholic friend, by that article.

We are careless Catholics who read your letter in SOCIAL JUSTICE and some of them who through ignorance criticized some of Father Coughlin's principles of social justice, received a rude awakening.

True, some of us Catholics, some years back passed up listening to Father Coughlin and reading SOCIAL JUSTICE, but after a large dose of the depression, with hunger and cold staring some of us in the face, not for days, mind you, but for months and years of it, we realized that someone, somewhere, was not doing right by us, so we listened to this one and that propound their theories of giving us something so we could at least keep life.

Then came Father Coughlin with the truth, and the actual facts—facts, to which only a fool could turn a deaf ear.

I hope to hear from you again in SOCIAL JUSTICE, my Non-Catholic friend, and God bless you for your staunch defense of truth.

—Dennis J. O'Mahoney.

Chicago, Ill.

Contests Spread True Knowledge

To the Editor:

I very happily received the $10 prize awarded me in your recent contest and wish to acknowledge my gratitude for the same.

Your contest deserves the highest credit for spreading a true knowledge of present day conditions among those of us who were deplorably ignorant of the true state of affairs underlying our hard times. Let me congratulate and praise you for the work which you are doing. May it be the beginning of the salvation of the oppressed.

—Mrs. George Dadds.

De Kalb, Ill.

Words of Communists Are But Screen to Hide Plans

To the Editor:

May I answer the letter of Theodore Bozyan of Newport which appeared in SOCIAL JUSTICE. Mr. Bozyan asks us not to forget that Communism recognizes the great poverty which prevails, while the financial barons oppose Communism not because they believe in liberty, but because Communism would interfere with their plans.

Of course, no one with a grain of justice in his make-up, could defend the principles put into practice by the exploiters of the common man, whom we call "modern capitalists." But aren't you forgetting something, Mr. Bozyan? Communism is not primarily interested in poverty in the midst of plenty, even though it "says" so. The aim of Communism is admittedly to take away these industries, and also your home and mine; to make them all the property of the state. And make no mistake about it, the "state" will not mean you and me.

They oppose these financial barons, not because they believe in true liberty, but because they recognize that the financiers have what they want—control of the workers. In other words, because capital interferes with their plans.

Is it of any advantage for a worker to place his fate in the hands of a champion who will take his liberties from the exploiters, only to pocket them himself? The workingman wants, himself, to be the controller of his rights and privileges.

When I say Communists, I do not mean the humble zealots who are working with might and main in their own little communities to help the working man. Many of them are sincere, even as you and I. When I say Communism, I mean the high command, the leaders over there in Moscow who give these little fellows their orders.

When I see what has happened over there, as a result of "liars" who promised to "free" the Russian peasants and workers, and know that our present Communists in America take orders from these same "lying" leaders, I cannot afford to praise even their words, because I see that these words are but a camouflage for their deeds.

By "freedom" they mean the right to do what the law allows—and they will take care of the laws.

Oh no, Mr. Bozyan, Communism will not peter out. The fact that it will have no grievance against society when private property has been taken over, does not mean that it will fold up and abdicate. The Communist state with the same leaders as that in Russia, will also follow the same procedure. The control will be brought into their hands and continuous purges will keep it there. It will proceed and develop into a worse capitalism than we have—the kind that is now found in Russia.

I cannot believe in praising Communism's criticism on industry (even though justified) as long as it is coupled with the intention to destroy the whole. But I do have a hearty sympathy with the workers among the Communists who, poor things, believe what their leaders tell them.

They have been misguided in their efforts to attain true social justice by unscrupulous leaders who pretend a desire to help them—but their hearts are in our fight for a real Christian social order. For their sakes, we should spend every effort in spreading the true principles of Christian social justice.

—J. N. Clark.

Chicago, Ill.

Financial Set-Up Prevents Prosperity

To the Editor:

In a recent letter of mine which you published, I quoted the Rev. Mr. Malthus of 150 years ago as saying the unemployed are superfluous and should never have been born.

This sounds to most of us, living now in an age where food, clothing and luxuries, such as coffee, are being daily destroyed as surplus commodities, like the height of foolishness. The "money kings" however are still philosophically back in the Rev. Malthus' carriage.

The financial page of the Evening Standard, a leading paper in England, remarking on the swollen cost of social services, and referring particularly to the unemployed, said: "The recipients of this spoon-feeding and legalized charity are, like Oliver Twist, insatiable."

A correspondent took exception to this and wrote to the editor. His letter was treated with the contempt accorded to most of us by our financial masters. His reply in essence was this:

"The only way under heaven that you can solve unemployment is to increase the general consumption of goods to such an extent that everyone will find employment in producing them. Industry is capable workers are abundant and willing. The only hindrance is the weakness of our present financial system."

Unfortunately, we have in America some citizens, summed up in the letters C. I. O., who are as ignorant as their financial masters. They fail to see that the financial "set-up" is responsible for their troubles and by stopping everybody's work, prevent industry from furnishing a living wage to anybody.

—H. C. B. Colvill.

Missoula, Mont.

Speaking of War Debts, America Has Some Too

To the Editor:

This paper propounds the gospel of social justice which can only be realized by the practice of Christian principles. While it is not in my province to judge your editorial wisdom, as to what you should or should not print, do you think it is compatible with the practice of Christianity to publish lying propaganda? I refer to the talk by Representative Joseph B. Shannon from Missouri in Congressional Recordings. He has displayed about as much wisdom as some other Washington wise-creams.

This question of the war debt is continually arising and to those who do not understand it, (and are not likely to while they listen to the Shannons) it is a perplexing one. Why does England not pay? To get the answer we must go back to the contract.

According to Representative Shannon, America loaned England "billions of gold dollars." America did not loan England one gold dollar. She did not loan England one silver dollar; no, not even a Federal Reserve I. O. U. dollar. What England received from America was foodstuffs, munitions, etc., etc. And this is where the fiasco comes in. **America demands payment in gold for these commodities and there is not sufficient gold in the whole world to cover it.**

England has offered to liquidate this debt with commodities — the same way in which she contracted it; but America rejects this method because it would be detrimental to her own manufacturing and farming interests. So what would you? The question is a deadlock.

As for the seizure of the Queen Mary, such rubbish as this is so childish that it is not worth a reply. But when Mr. Shannon states that it was built with money "rightfully belonging to the American people," he displays ignorance again. The Queen Mary was built with fountain-pen money, and the British taxpayer is footing the bill.

It seems to me that Washington is owing England quite a small bill itself. This debt was contracted by the one-time Confederate States during your Civil War. If my information is correct, this debt is far in excess of what England owes America. I wonder what your press would say if a British Member of Parliament arose in the House of Commons and referred to Uncle Sam as a "dead-beat nation who has run out on her honor debts."

Your representative from Missouri states that America should be paid in full. I agree with him, and when this transpires, England should also be paid in full and according to my information, to settle the two debts, Uncle Sam would have to shell out quite a tidy bit.

It appears to me that the only reasonable solution is for Washington and London to get together and let one cancel the other.

—W. T. B.

St. Catherines, Ont.

You Can Win $2,750.00 as Easily as Any Other Person in This Contest

QUESTIONS FOR THIS WEEK

Picture No. 31

Picture No. 32

Make Your Selection by Number from Following Lists:

1. Because the Supreme Court maintains a balance of power,
2. Because the United States has a president instead of a king,
3. Because of a system of several political parties,
4. Because the right to rule is conferred by the people,
5. Because the Constitution guarantees democracy,
6. Because undemocratic government is foreign to American tradition.

1. Because a Court dependent upon executive influence could not properly interpret the fundamental law of the land,
2. Because a Court dependent upon executive influence would tend towards dictatorship and consequent loss of liberty,
3. The national temperament of the American people needs such a balance-wheel,
4. A Court lacking independence would necessarily become subject to capitalistic control,
5. A Court lacking independence would necessarily become subject to Communistic control,
6. A Court lacking independence would necessarily become subject to Fascist control.

FILL IN THIS COUPON AND MAIL WITH 10 CENTS IN COIN
NOT NECESSARY TO RETURN PICTURE KA
Make your selection by number from suggestions under each picture.
Write clearly the number in the little square.

No. 31 For Question No. 31 I Select Answer No..... ☐ No. 32 For Question No. 32 I Select Answer No..... ☐

MY NAME IS.....

MY ADDRESS IS.....

TOWN OR CITY.....STATE.....

An Extra Coupon for a Friend or Relation

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Make your selection by number from suggestions under each picture.
Write clearly the number in the little square.

No. 31 For Question No. 31 I Select Answer No..... ☐ No. 32 For Question No. 32 I Select Answer No..... ☐

MY NAME IS.....

MY ADDRESS IS.....

TOWN OR CITY.....STATE.....

Rules of Contest

1. Open to all readers of SOCIAL JUSTICE except employes of Reverend Father Coughlin, members of the former National Board of the National Union for Social Justice, or members of their families.
2. Two pictures each week for 25 consecutive weeks, beginning Monday, June 21, 1937. Each picture contains a question dealing with a live economic or social problem affecting the United States during the current year.
3. A Grand Prize of $2,750.00 will be awarded to the reader of SOCIAL JUSTICE returning the best or most appropriate answers to the 50 questions, such answers to be based upon the viewpoint of Father Coughlin as expressed in the columns of SOCIAL JUSTICE or in his public utterances. The reader or readers submitting the next nearest correct answers and otherwise complying with the rules shall be eligible for the additional prizes in the order of their correctness.
4. In order to qualify as a prize-winner, the contestant is required to send in 10 cents in coin (not stamps) with each weekly Coupon; and to obtain at some time during the Contest one NEW yearly subscriber to SOCIAL JUSTICE at $2.00 per year. The remittance of 10 cents in coin and the effort of obtaining the subscription is in payment for a handsomely illustrated 105-page book descriptive of the Shrine of the Little Flower. Purchase of this book, which will be delivered after the close is a condition for entering the contest.
5. We cannot take into account solutions without signed names or addresses. Neither can claims to their ownership be recognized. We cannot be responsible for Coupons arriving unduly late. By entering the Contest the contestant agrees to accept as final the decision of the judges as to procedure and final outcome.
6. In event of ties additional pictures and questions will be submitted. In event of final ties, after two such submissions, duplicate prizes will be awarded.
7. Do NOT decorate Coupons. Neatness will NOT count.
8. Any inquiry the reply to which could not affect outcome of Contest will be acknowledged.
9. A contestant may send in any number of answers, and each set will be judged as a unit, but no individual may win more than one prize. A contestant sending in more than one fully paid set, and one yearly subscription for each set submitted will be entitled to one book for each set.

ADDRESS—
"CONTEST EDITOR"
SOCIAL JUSTICE
ROYAL OAK, MICH.

How To Proceed As A Contestant

1. **Study the questions. Mark your selection of the best or most appropriate answers on the Coupon below the picture and send in EACH WEEK with 10 cents in coin (not stamps).**
2. **If you wish, you may pay up in full, $2.50 NOW, and then send in your weekly Coupons without further remittance.**
3. **Each question will pertain to a live AMERICAN ISSUE discussed in the columns of SOCIAL JUSTICE. One of the list of suggested answers underneath each picture will be the best or most appropriate FROM THE VIEWPOINT OF FATHER COUGHLIN AND THIS WEEKLY ON NATIONAL SOCIAL AND ECONOMIC ISSUES. It is your job, as a contestant, to try to select that particular answer.**
4. **Each contestant who completes a fully qualified set of 50 answers will receive, without further cost, a handsome 105-page souvenir book descriptive of the Shrine of the Little Flower at Royal Oak, with 63 beautiful illustrations.**
5. **In order to qualify for the prizes, a contestant is required to remit $2.50 for each complete set of solutions submitted, and also to obtain one NEW yearly subscriber to SOCIAL JUSTICE at the annual subscription price of $2.00 per year. This subscription may be sent in at any time during the 25 weeks duration of the Contest.**
6. **If you run more than one set of answers, be sure to mark your sets "Set 1," "Set 2," "Set 3," etc. Each set stands alone in the judging. Coupons are NOT taken from one set to fill in bad "holes" in another set.**

READ RULES CAREFULLY AND ENTER TODAY!

Could you use $2,750.00 this winter? You CAN WIN it as a contestant in our "KNOW AMERICA" Contest now edging towards a triumphant close.

YOU CAN WIN IF YOU ENTER THE CONTEST WHILE THERE IS YET TIME.

You CAN WIN this neat sum of money just as easily as any other person in this great national competition—because it is just as easy for you to answer 50 simple questions concerning America, your country, as it is for any other contestant to answer them.

THERE IS YET TIME FOR YOU TO WIN THE GRAND PRIZE OR ONE OF THE OTHER OF HUNDREDS OF CASH AWARDS SOON TO GO OUT IN SOCIAL JUSTICE'S SECOND BIG HARVEST OF AWARDS.

Here's how you do it:

You will notice on this page a "Past Pictures" Coupon. When this is filled in and sent by you to our Contest Editor, that gentleman will forward to you at once all past pictures and suggested answers which have appeared in the Contest up to date.

THAT'S ALL YOU NEED TO WIN $2,750 AS EASILY AS ANY OTHER PERSON CAN WIN IT.

Do this right now. Notice how easy it is to answer properly the two questions on this page. The others are just as easy. Of course, some thought is required, but, as an American citizen, you should have no difficulty.

And—if you win—and you CAN WIN—
$2,750.00!
So—enter NOW.

Start Today **YOU CAN WIN** Grand Prize

$2,750.00

Second Prize	**$1,250.00**
Third Prize	**$500.00**
Fourth Prize	**$200.00**
Fifth Prize	**$75.00**

10 PRIZES OF $50.00 EACH — 100 PRIZES OF $10.00 EACH
20 PRIZES OF $25.00 EACH — 200 PRIZES OF $ 5.00 EACH

FREE --- Past Pictures --- FREE

CONTEST EDITOR, SOCIAL JUSTICE
ROYAL OAK, MICHIGAN.

I wish to enter the "KNOW AMERICA" Contest at once and be on an even footing with all other contestants.

Please send me free of charge, all Past Pictures which have appeared up to date.

Name .....

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Financial Advertisers Association Meets in A Solemn Conclave

By Special Correspondent
Of SOCIAL JUSTICE

SYRACUSE, N. Y.—The 22nd annual convention of the Financial Advertisers Association recently convened in this city and approximately 500 delegates and guests attended. Most of them were bankers and advertising men.

Thomas J. Kiphart, president of the association and director of public relations for the Fifth Third Union Trust Co. of Cincinnati, Ohio, led the barrage against those who would endeavor to educate the people for monetary reform, and protect them against insidious propaganda, growing worse from year to year as the moneyed interests extend their control over newspapers and big and little business, and last, but not least, labor itself.

Said Mr. Kiphart:

"The burden of proof of the economic need of our banking system lies solely in the hands of the bankers. A negative attitude against the banking system has been churned on all sides and even from high places.

Burden of Proof On Bank Side

Yes, Mr. Kiphart, the burden of proof is certainly on your side. The economic wreckage caused by the present monetary system is quite sufficient to convince any intelligent citizen of its basic injustice as well as its inhuman grasp on the industry and commerce of this nation. The negative attitude has only been churned up because of the dire consequences of the bankers' power to issue money and control the value and volume of money and credit—the life blood of our country —together with a vicious legalized usury.

"Are we at an end to the demand for new bank legislation? Have we heard the last of the rabble-rousers?" Mr. Kiphart continued.

"Mere opposition and criticism of our opponents are not much good. Attacks on the motives of our political competitors will not serve in the solution of present problems, or prevent the recurrence of such problems in the future.

Banker's Story Not Yet Told

"Instead of wasting time scoffing at the politicians, it would be far better to devote our effort to making our business popular with the public, the only 'Boss' the politicians recognize.

"**It is easy to get misconceived ideas into the public mind. It is difficult and expensive to get them out. But it can be done.** By dealing in the realities of the banking business, consistent education can break down the malicious intent to destroy.

"There, indeed, is the job for public relations—to overcome popular misunderstandings of fact, **and to make the truth about the banking business evident to all.**

"When bankers take it upon themselves fully to inform the public about the part banking has played and should continue to play to the benefit of economic progress, then and only then will the truth prevail. **We have a story to tell, but we have not told it.**"

All Must Serve Powerful Masters

"People are more vital to banks than money. The ideas which the masses hold about the banking business always will be the greatest force in the destiny of that business. To enjoy success, banks must depend upon the co-operation of the public and must have the complete confidence and good will of the people."

It was a fine speech. But it hardly stands up.

In the first place, all those who now disagree with present banking methods and the dishonest method of private control of money are not "rabble-rousers." They perceive the utter injustice of millions living in want, ill housed, poorly clad and hungry. They perceive that this economic bondage is brought about and continues to exist because of the bankers power to control the value and volume of money.

Mr. Kiphart is not entirely to blame for his utterances. As time passed, and more and more banks and bankers were brought under control from the few men at the top of the system, the officers and employes of all of them were forced to become henchmen as it were and propagandists for the Money Changers. So, willingly or not, knowingly or unknowingly, they have put their hand to the plowshare of money control that keeps men's heads bent, shoulders stooped, heart heavy and souls shriveled!

Some Notable "Rabble Rousers"

For Mr. Kiphart's benefit, SOCIAL JUSTICE submits the following quotations from famous "rabble-rousers" regarding money and its control:

THOMAS JEFFERSON — "I sincerely believe that banking institutions are more dangerous to liberty than standing armies. I have ever opposed money of bankers; not of those discounting for cash, but of those fostering their own paper in circulation and thus banishing our cash. My zeal against these institutions was so warm and open at the establishment of the First Bank of the United States that I was derided as a maniac by the tribe of bank mongers who were seeking to filch from the public."

JOHN RANDOLPH — "Charter a bank with $35-million, let it establish and learn its power, and then find, if you can, means to bell that cat; it will be beyond your power; it will over-awe Congress and laugh at your laws."

THOMAS H. BENTON—"The general government ceases to be independent, it ceases to be safe, when the national currency is at the will of a private company."

AMSCHEL MAYER ROTHSCHILD —"Permit me to issue and control the money of a nation and I care not who makes the laws."

Preponderance Of Evidence

DANIEL WEBSTER — "When all our money is issued by the government, it will prove the most certain means that can be used to fertilize the rich man's field by the sweat of the poor man's brow."

ABRAHAM LINCOLN—"As a result of the war, (and the National Bank Act which the bankers forced on Lincoln) corporations have been enthroned, and an era of corruption in high places will follow, and the money power of the country will endeavor to prolong its reign by working upon the prejudices of the people until all wealth is aggregated in a few hands, and the republic is destroyed. I feel at this moment more anxiety for the safety of my country than ever before, even in the midst of war. God grant that my suspicions may prove groundless."

JAMES A. GARFIELD—"Whoever controls the volume of money in any country is absolute master of all industry and commerce."

There is evidence, despite rigid suppression of the facts, that both Lincoln and Garfield were assassinated because of their threat to free the people from the iron chains of the money-changers.

Today this money trust controls labor, the small bankers, industry, commerce by the newspapers, magazines, textbooks and, finally — the crowning glory of propaganda—the movies and the radio!

SOCIAL JUSTICE has no "malicious intent to destroy." Rather we aim to perfect and share. The destruction is already being done by the money trust that can confiscate homes and farms, all the real wealth of this nation, by their grasping greed. Our program is open to all for dissection and to date, it has been unassailable!

We know that the principal opponents to necessary and just banking reform and the establishment of an honest money system, are not alone those who do not understand what is going on, but a thoroughly informed banking group which confuses and deceives by propaganda for its own self-interest.

By all means, let the facts be known!

Searchlight on the Money Changers

Lion's Share Goes to Morgan

CLEVELAND, OHIO. — The Probate Court has revealed an indebtedness of more than $80-million in a schedule of claims, debts, and liabilities against the estate of the late Oris P. Van Sweringen, elder of the Van Sweringen brothers. Assets were listed at $534,994. Of 29 claims listed, the largest one allowed unconditionally was $48,345,960 to J. P. Morgan & Co. Many claims were rejected absolutely or conditionally. The Morgan claim was based on promissory notes and other obligations grouped by the Morgan company under 14 classifications.

Unpayable Debt Up to New High

WASHINGTON, D. C. — On September 8, the national debt soared to the all-time peak of $37,211,842,-492. During the World War, the debt jumped over $22-billion. Recently, Marriner S. Eccles, chairman of the Federal Reserve Board, said that 40-billion was the top debt a country could carry, without danger to the nation's credit. A war would force America's financial structure to topple like a house of cards. Don't be surprised if it comes—**followed by utter repudiation of all debts.**

Increased Costs Use Up Raises

WASHINGTON, D. C. — The Department of Commerce has finally admitted that increase in the per capita income of labor will be offset largely by the price increases in living costs. When Madame Perkins was undecided about the legality of the sit-down strikes, SOCIAL JUSTICE told her that the 5 and 10 cent raise would be ineffective as long as a group of international bankers could raise the prices of living by controlling the volume of money. As long as labor has no voice in the control of a stable dollar, its striking efforts are vain.

Babson Foresees 20 Cent Dollar

BOSTON, MASS.—Roger W. Babson, noted statistician, addressing the Executive Club of the Boston Chamber of Commerce, made some remarks that were so pointed that we reproduce them here: "Controlling crops, managing money, legislating wages, hours or prices, or giving relief, will not eliminate selfishness, the root of our economic and social troubles. **The only hope for this old world lies in making an honest attempt to try Christianity.** We walk and preach about it, but we have never applied it. Selfishness can be tempered only by changing the hearts of men — by being 'born again.' Legislation is fruitless, war is useless and even education seems to be largely a veneer. This is why the church interests me so greatly.

"Regarding politics, Congress is no longer an echo board. The New Deal is at last being questioned by the Democrats themselves. My father had a motto, 'Let no one beat you in waiting.' Right always wins in the end. Conservative Democrats are coming to their senses.

"As to the future, no one knows, but I say that the chances are six to four that we are headed toward a 20 cent dollar! How else will our huge personal, corporation and public debts be paid? Inflation or repudiation seems very possible. Remember that the total world income will not pay 2 per cent on the total capital invested. The law of mathematics cannot be set aside by a Supreme Court."

We would refer Mr. Babson to the 16 principles of Social Justice as a sound program of applied Christianity. If an honest attempt were made to execute them, he would see Christianity in action.

Bankers Covet Postal Savings

WASHINGTON, D. C.—The American Bankers Association is out to stymie the Postal Savings Bank. They have bills in both Senate and House to do away with the postal banks. These have on deposit some $1-billion, 271-million. The bankers would like to get hold of this sum. A powerful lobby has already been organized for next Congress.

New Deal Plan Follows Error of Technocrats

(Continued from Page 1)

was necessary, and that consequently a constantly increasing percentage of our employable workers would be unable to find employment. This sounded reasonable, especially to the large number of people who know little about manufacturing processes or the constant development of new industries.

The catch in the Technocratic philosophy was that its promotors pictured a static civilization using the same quantity of the same facilities indefinitely. If these were produced with a constantly increasing economy of labor, then there would be an increasing surplus of labor.

But if you will think a little further you will see that each new industry furnishes employment opportunities which never existed before, and that when we are producing at something like full capacity, as we were from 1923 to 1929 inclusive, the only way we can release men to develop new industries is to develop labor saving processes in all industry, a little faster, if possible, than the constantly increasing demand for the present products. In the final analysis, the limit of our productive capacity is the total of labor available.

Decade Refutes Employment Theory

As soon as sound thinkers began to dissect this new doctrine, its fallacy became immediately apparent and in informed circles it was soon discredited, but the damage had been done and many people who read the many books and articles expounding this theory during the propaganda campaign never had an opportunity to learn the truth.

A most casual glance at our labor statistics explodes the technocratic doctrine immediately. In the 1920-30 period the development of manufacturing processes and automatic machinery was the greatest in our history. The productive effect of the man-hour increased 42 per cent. That is to say, the average workman in 1930 was producing 42 per cent more than in 1920. If the Technocratic doctrine had been accurate, we would have had 20-million workmen idle in 1930. Instead, a higher percentage of our entire population — excepting one class — was gainfully employed in 1930 than in any previous time in our history. The one exception was children under 16. From 1920 to 1930 employment of children under 16 declined almost one-half—almost disappeared excepting on the farms.

Of all males, white, yellow, red, black and all the intermediate pastel shades, 25 to 45 years old, 97.5 per cent were gainfully employed in 1930. It must be remembered that these figures were obtained along about mid-year 1930, after the stock market crash and when business had already suffered a considerable slump. However, 97.5 per cent is very close to the maximum possible.

The most impressive figures, however, are from the higher age groups:

45 to 49 inclusive 97.2 per cent
50 to 54 inclusive 95.7 per cent
55 to 59 inclusive 93. per cent
60 to 64 inclusive 86.8 per cent
65 to 69 inclusive 75.7 per cent
70 to 74 inclusive 57.5 per cent

The unemployed fraction includes, of course, all those who had retired or for any other reason were voluntarily idle, and all unemployables—those unable to work.

(Editor's Note: The above figures are from the Bureau of Labor Statistics of the Census Bureau, and are the only authentic figures in existence. They are used by all statistical organizations, public or private.)

I think it may truthfully be said that from 1923, or at least **from 1924 to 1929, every employable person in the United States could have worked at his chosen occupation if he wanted to and at constantly increasing wages.** We were producing at approximately our maximum capacity.

In subsequent articles, I will refer again to these figures, and for this reason I hope those who are interested will preserve this article for future reference.

Another important point to be remembered is that while wages steadily advanced during this period of approximately full production, the average commodity price level remained approximately the same.

The reason this is so will be the subject matter of a subsequent article on **"inflation"** — what is and what is not inflation.

No Recovery Without Financial Reform

SOCIAL JUSTICE

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C. I. O. President Resigns Job Because of Communist Tie-Up

Letter Tells Of Alliance With Reds

By the Labor Editor of SOCIAL JUSTICE

Anthony C. Uccello, of New Britain Conn., president of local 232, which comprises employes of the four branches of the American Hardware Corporation, and an affiliate of the C. I. O., has resigned because of its Communist alliance.

In his public letter of resignation, Uccello reveals that he was asked to start a secret school in his own home for the education of radicals and that he was recipient of The Daily Worker, the Communist newspaper.

Was Active C. I. O. Worker

Mr. Uccello was one of the most active C. I. O. workers in Connecticut and attended all state conventions.

Mr. Uccello's letter follows:

"In resigning the presidency of Local 232, C. I. O., American Hardware Corporation, I feel it is my duty as an American citizen to stop being part of this Communist movement in New Britain.

"In the beginning, it was my belief that I had joined a bona-fide American labor organization, but I have since awakened to the fact that the C. I. O. **has on its payroll Soviet agents hired to betray American laboring men and women.**

"The Communist party of New Britain brought the C. I. O. here. I am convinced that it had some purpose in doing so. For the first six weeks of the C. I. O. organization's drive for members, they expended money to start the movement until a member of the Communist party was put on the payroll as a full fledged C. I. O. organizer. A week after I became president of Local 232, I was shocked to find that I was the recipient of the Communist Daily Worker. I received this paper for a period of 25 days until I put an end to it. This is further proof that the C. I. O. is working hand in hand with the Communist party to betray the American people.

Reds Chief Union Leaders

"At one of our meetings a few weeks ago the speaker was none other than the great Connecticut agitator and Communist, Dr. Emily Pearson of Cromwell. This is more proof that the Communists are trying to build a Soviet America.

"At a state meeting I attended recently, I had the misfortune to meet a C. I. O. organizer for office workers in New Haven who tried to sell me the idea of holding a Communist school in my own home. Up until that time we had been great friends, but when he proposed this plan, our friendship ceased.

"I want to say that there is an ulterior motive in the move to organize American labor under the C. I. O. I would never become a party to such a subversive force that is trying to destroy the labor movement in New Britain and I am going to fight this power as long as I have life in me."

Wool Workers Vote on Union Choice

A group of the 800 workers of the Wood Worsted mill, largest unit of the American Woolen Co., Lawrence, Mass., are here shown gathered outside the plant, awaiting their turn to vote in the plebiscite to determine whether the Textile Workers' Organizing Committee of the C. I. O. is desired as the sole bargaining agency for the industry. Newsphoto by Acme.

9,000 Face Jobless Winter in 'Little Steel' Strike Area

YOUNGSTOWN, OHIO.—The ill-prepared onslaught on Little Steel is over, but out in No-Man's-Land, 9,000 men and their families face the winter without money or credit.

These 9,000 are facing a bitter winter. They have no money to pay rent and poor prospects of obtaining work, so their problem simmers down to how long can they hold out.

There are 1,500 out in Youngstown, 3,000 in the Warren and Niles district, 2,000 in the Cleveland area and 2,500 in adjacent plants. The Steel Workers Organization Committee of the C. I. O. is making a vain attempt to alleviate the dire distress. Relief agencies are caring for some, but in both instances the standard of existence—not living—is far below that enjoyed before the strike. Automobiles, radios, furniture, refrigerators, all the things the American workingman is entitled to by every line of justice are being confiscated daily.

The strike has never been officially settled. In the absence of a formal settlement, the dispute is deadlocked, but suffering and privation marches bitterly on.

Even when strikes are settled, the strikers do not get back their former jobs but must go through a period of hand-to-mouth existence to make up for the idle period they were on strike. Some leave and do get other jobs while others become permanent relief victims.

One particularly unfortunate fact is that so many of the men who followed John L. Lewis on May 26 were old employes. Many had worked in some one of the many plants in this area for more than 20 years.

The companies are operating their production schedules at about normal, according to officials. This seems hard to believe. Nevertheless, the fact remains that they are operating, and that the strikers were unable to stop production. On July 6, the Republic Steel Co. issued a general call to employes to return to work. Some of the strikers returned and obtained jobs, but usually not the jobs they held before the strike.

After all is said and done, 9,000 men and their families are still caught between the cross fire of union officials and company executives. They are "taking the rap."

You can expect further trouble in this area this coming winter. Whether they will again follow John L. Lewis, who they charge has left them on no-man's-land, the Communist rabble-rousers, or turn to intelligent leadership—winter will tell the story.

Labor Highlights

NEW YORK, N. Y.—One large reason why American labor is idle was seen in the Customs Service report recently released for the fiscal year of 1937. Duties showed an increase of 25.7 per cent over the preceding year. The value of imports increased 31.1 per cent. This means we are importing the products of foreign labor while our own continues on the relief rolls.

GRAND RAPIDS, MICH. — This furniture capital of America has suffered a series of strikes. The Globe Knitting Works struck at the order of the International Ladies Garment Workers Union for higher wages. This union is a C. I. O. affiliate. The Luce Furniture Co. reopened after a three-day strike called by the C. I. O. The Ypsilanti Reed Furniture Co. threatened to go out on strike for a 5 cent per hour pay increase. In the meantime, companies offered employes who desired to work police protection and an independent labor organization called a huge mass-meeting to try and induce the men not to follow the C. I. O. bandwagon.

WASHINGTON, D. C.—John L. Lewis has sent out notices to all C. I. O. union heads of a proposed conference to be called on October 11 at Atlantic City. The conference is expected to map out plans for the anticipated expulsion of the C. I. O. unions from the American Federation of Labor at its Denver convention on October 4. A hint of such formal expulsion was made by John P. Frey, head of the metal trades department of the Federation. There is also talk that the A. F. of L. will not formally invite either Madame Perkins, Secretary of Labor, nor J. Warren Madden, chairman of the Labor Relations Board, to the Denver convention.

The Madame is not popular with the A. F. of L. because of her bias for John L. Lewis.

The A. F. of L. believes Madden unfair inasmuch as his Board ordered an election at the National Electric Co.'s Ambridge (Pa.) plant at the request of the C .I. O., despite the fact that the company already had a closed shop contract with the A. F. of L. Electrical Workers Union. Ballots were challenged by the C. I. O. after the A. F. of L. had won a majority.

SOUTH BEND, IND. — The National Relations Board has announced that the United Automobile Workers, a C. I. O. affiliate, has been chosen as the exclusive bargaining agent for its members at the Bendix Products Corp. plants in this city. Bendix employes went on strike in 1936, during November. At that time the strike was terminated when the company agreed to recognize the union as agent for its members and "all others who choose to avail themselves of its services."

ST. LOUIS, MO.—William Green, president of the American Federation of Labor, has instructed all state and central A. F. of L. bodies to expel local chapter of the American Newspaper Guild, "as they are no longer eligible to membership because of their association with the C. I. O." In a prepared statement Mr. Green announced a militant drive against the C. I. O. guild and said "all news and editorial employes of newspapers will be invited shortly to join federal unions organized by the A. F. of L. which will have the fullest support of the mechanical trade unions."

Communists Take Credit for the Rift In Labor's Ranks

NEW YORK, N. Y.—The Communist Party of America, celebrating its 18th birthday anniversary, claimed credit for the current rift in the labor movement.

Earl Browder, general secretary of the party, said "the aggressiveness of labor has resulted from the establishment of a stormy, militant party."

Israel Amter, New York state party chairman, declared the party "is part of the C. I. O.," and has materially helped to build the American Labor Party.

As usual, the Communist anthem "The Internationale" preceeded the singing of "The Star Spangled Banner."

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